



**HALO TECHNOLOGIES HOLDINGS LIMITED**  
**ACN 645 531 219**  
**NOTICE OF ANNUAL GENERAL MEETING**

The Annual General Meeting of Shareholders of Halo Technologies Holdings Limited ('HALO or Company') will be held at 10:00 am AEST on Monday, 26 May 2025 via webcast hosted on the Zoom Workplace platform <https://bit.ly/halo2025agm> (Meeting).

The Explanatory Notes to this Notice provide additional information on the matters to be considered at the Meeting. The Explanatory Notes and the Proxy form part of this Notice.

**AGENDA**

**A. Welcome by the Chairman**

**B. Review of the Financial Statements, Directors' Report and Auditor's Report for HALO (and its controlled entities) for the year ended 31 December 2024**

To receive and consider the Financial Report, the Directors' Report and Auditor's Report of the Company for the year ended 31 December 2024.

**C. Resolutions**

**Resolution 1: Remuneration Report (non-binding vote)**

To consider and, if thought fit, to pass the following resolution as an advisory resolution of the Company:

*"That the Company adopts the Remuneration Report for the year ended 31 December 2024."*

Notes:

- In accordance with section 250R(2) of the Corporations Act, the vote on this resolution will be advisory only and will not bind the Directors or the Company.
- A voting exclusion statement applies to this resolution, as set out in the Explanatory Notes.

## Resolution 2 – Re-election of Mr George Paxton

To consider and, if thought fit, to pass the following resolution as an **ordinary** resolution of the Company:

*"That George Paxton, being a director who is retiring in accordance with Clause 10.2(b) of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

## Resolution 3 – Re-election of Mr Nicolas Bryon

To consider and, if thought fit, to pass the following resolution as an **ordinary** resolution of the Company:

*"That Nicolas Bryon, being a director who is retiring in accordance with Clause 10.2(d) of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

## Resolution 4: Additional 10% Placement Capacity

To consider and, if thought fit, to pass the following as a **special** resolution of the Company:

*"For the purpose of ASX Listing Rule 7.1A and for all other purposes, to approve the issue of additional Equity Securities up to 10% of the issued capital of the Company (at the time of issue), calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 over a 12- month period and on the terms and conditions set out in the Explanatory Memorandum."*

Note: A voting exclusion statement applies to this resolution. (See Explanatory Notes for details)

## Resolution 5: Approval of Incentive Share Plan

To consider, and if thought fit, pass the following resolution as an **ordinary** resolution:

*"That the issue of performance rights and underlying performance shares in the Company under the Company's Incentive Share Plan, the terms and conditions of which are attached as Annexure A to this Notice, be approved as an exception to ASX Listing Rule 7.1 in accordance with exception 13 (b) of ASX Listing Rule 7.2."*

Note: A voting exclusion statement applies to this resolution (see Explanatory Notes for details).

## Resolution 6: Approval of Performance Rights Plan (Non-executives)

To consider, and if thought fit, pass the following resolution as an **ordinary** resolution:

*"That the issue of performance rights and underlying performance shares in the Company under the Company's Performance Rights Plan (Non-executives), the terms and conditions of which are attached as Annexure B to this Notice, be approved as an exception to ASX Listing Rule 7.1 in accordance with exception 13 (b) of ASX Listing Rule 7.2."*

Note: A voting exclusion statement applies to this resolution (see Explanatory Notes for details).

### **Resolution 7: Approval of Performance Rights Plan (Executives)**

To consider, and if thought fit, pass the following resolution as an **ordinary** resolution:

*“That the issue of performance rights and underlying performance shares in the Company under the Company’s Performance Rights Plan (Executives), the terms and conditions of which are attached as Annexure C to this Notice, be approved as an exception to ASX Listing Rule 7.1 in accordance with exception 13 (b) of ASX Listing Rule 7.2.”*

Note: A voting exclusion statement applies to this resolution (see Explanatory Notes for details).

### **Resolution 8: Increase in Non-Executive Director Fees**

To consider, and if thought fit, pass the following resolution as an **ordinary** resolution:

*“That for the purpose of Listing Rule 10.17, the maximum aggregate annual fees payable out of the funds of the Company for the Company’s non-executive directors for service as directors, including service on a committee of directors, be increased from \$360,000 (inclusive of superannuation guarantee charge (SGC) contributions) to \$480,000 per annum (inclusive of SGC contributions), to be apportioned at the Directors’ discretion.”*

Note: A voting exclusion statement applies to this resolution (see Explanatory Notes for details).

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## ENTITLEMENT TO VOTE

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The Directors have determined that the persons eligible to vote at the Meeting are those who are registered Shareholders of the Company as at 7:00 p.m. (AEST) on 24 May 2025 (**Entitlement Time**) subject to any applicable voting exclusion.

This means that if you are not the registered shareholder at the Entitlement Time, you will not be entitled to attend or vote at the Annual General Meeting.

## MEETING ATTENDANCE

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The Meeting will be held virtually via webcast and hosted on an online platform. Any security holder who wishes to attend the Meeting virtually may do so by accessing the following link: <https://bit.ly/halo2025agm>

When registering onto the online platform, those attending the Meeting must enter their Voter Access Code from their shareholder letter, proxy form or meeting notification e-mail.

The Company recommends that Shareholders log in to the online portal at least 15 minutes prior to the start of the Meeting to ensure their internet connections and devices are working and to attend to registration requirements.

If you choose to participate online on the day of the meeting you will be able to view the webcast of the Meeting, ask the Directors questions online or orally and submit your vote in real time.

## VOTING OPTIONS AND PROXIES

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### Voting

To vote online during the meeting you will need to register for the meeting by accessing the following link: <https://bit.ly/halo2025agm>. Following registration, you will receive the meeting link to join the meeting.

Shareholders can participate in the AGM online by using smartphone, tablet, or computer. You will require the latest versions of Chrome, Safari, Edge, or Firefox. Please ensure your browser is compatible.

If you do not plan to attend the Meeting in person, you are encouraged to lodge your proxy vote online at <https://www.votingonline.com.au/haloagm2025>

### Voting by Proxy

A Shareholder who is entitled to attend and vote at this Meeting is entitled to appoint not more than two proxies to attend and vote in place of the Shareholder.

If the Shareholder appoints two proxies, the Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the Shareholder's votes. If the specified proportion or number of votes exceeds that which the Shareholder is entitled to, each proxy may exercise half of the Shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

A proxy need not be a Shareholder of the Company. A body corporate appointed as a shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence (in an electronic format capable of distribution by email) of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Subject to the specific proxy provisions applying to Resolutions 1, 5, 6, 7 and 8 (see the Explanatory Notes below):

- If a Shareholder has not directed their proxy how to vote, the proxy may vote (or abstain from voting) as the proxy determines; and
- If a Shareholder appoints the Chairman of the Meeting as proxy and does not direct the Chairman how to vote on an item of business, the Chairman will vote in accordance with his voting intention as stated in this Notice of Meeting, namely in favour of each of the proposed resolutions set out in the Notice of Meeting (except the conditional item where the Chairman will vote against the resolution).

#### Proxy Voting by the Chairman

For Resolutions 1, 5, 6, 7 and 8 where the Chairman is appointed as a Shareholder's proxy and that Shareholder has not specified the way in which the Chairman is to vote on Resolutions 1 and 6, the Shareholder is directing the Chairman to vote in accordance with the Chairman's voting intentions for these items of business, even though Resolutions 1, 5, 6, 7 and 8 are connected directly or indirectly with the remuneration of key management personnel (**KMP**).

The Chairman intends to vote all undirected proxies in favour of the resolutions in the Notice of Meeting, including Resolutions 1, 5, 6, 7 and 8.

To be effective, an online Proxy vote must be lodged at <https://www.votingonline.com.au/haloagm2025> **no later than** 10:00 a.m. (AEST) on 24 May 2025 (**Proxy Deadline**).

1. Enter your Postcode (if within Australia) OR Country of Residence (if outside Australia)
2. Enter your Voting Access Code (VAC) – As displayed on your shareholder letter.
3. Follow the prompts to vote on each resolution

#### Proxy Forms

For shareholders who have requested a proxy form, the form must be completed, signed, and lodged (together with the relevant original power of attorney or a certified copy if the proxy is signed by an attorney) with the Company's Share Registry, as an original or by facsimile, **no later than** 10:00 a.m. (AEST) on 24 May 2025 (**Proxy Deadline**).

Proxy forms may be submitted in one of the following ways:

- (i) By mail to Boardroom Pty Limited, GPO Box 3993 Sydney NSW 2001 Australia. Please allow sufficient time so that it reaches Boardroom Pty Limited by the Proxy Deadline;
- (ii) By fax to Boardroom Pty Limited on +61 2 9290 9655 (within Australia);
- (iii) By email to [proxy@boardroom.com.au](mailto:proxy@boardroom.com.au);
- (iv) Online via the Company's Share Registry website at [www.votingonline.com.au](http://www.votingonline.com.au). Please refer to the Proxy Form for more information; or
- (v) By hand delivery to Boardroom Pty Limited at Level 8, 210 George Street, Sydney NSW 2000.

Proxy Forms and Powers of Attorney must be received by the Proxy Deadline.

#### Questions from Shareholders

In order to provide an equal opportunity for all Shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company or to the Company's auditor, in relation to the conduct of the external audit for the year ended 31 December 2024, or the content of its audit report. Please send your questions to:

The Company Secretary, Halo Technologies Holdings Limited, at BoardRoom Pty Limited, Level 8, 210 George Street, Sydney NSW 2000

E. [company.secretary@boardroomlimited.com.au](mailto:company.secretary@boardroomlimited.com.au)

Written questions must be received by no later than 5.00 p.m. (AEST) on 16 May 2025.

Your questions should relate to matters that are relevant to the business of the Annual General Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum.

In accordance with the Corporations Act 2001 (Cth) and the Company's policy, a reasonable opportunity will also be provided to Shareholders attending the Annual General Meeting to ask questions about, or make comments upon, matters in relation to the Company, including the Remuneration Report.

During the course of the Annual General Meeting, the Chairman will seek to address as many Shareholder questions as reasonably practicable, and where appropriate, will give a representative of the auditor the opportunity to answer written questions addressed to it. However, there may not be sufficient time to answer all questions at the Annual General Meeting. Please note that individual responses may not be sent to Shareholders.

#### **CORPORATE REPRESENTATIVES**

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Where a shareholding is registered in the name of a corporation, the corporate Shareholder may appoint a person to act as its representative to attend the Meeting by providing that person with:

Halo Technologies Holdings Limited  
Level 4, 10 Barrack Street, Sydney, NSW  
[www.halo-technologies.com](http://www.halo-technologies.com)

- (i) a letter or certificate authorising him or her as the corporation's representative, executed in accordance with the corporation's constitution; or
- (ii) a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

**By Order of the Board**

Halo Technologies Holdings Limited

**Eryl Baron**

Company Secretary

24 April 2025

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## Explanatory Notes

### Financial Statements and Reports

As required by section 317 of the Corporations Act, the Financial Report, Directors' Report and Auditor's Report of the Company for the most recent financial year will be presented at the Meeting. The Financial Report comprises the consolidated financial report of the Company and its controlled entities.

There is no requirement for a formal resolution on this item.

The Chairman of the Meeting will allow a reasonable opportunity at the Meeting for Shareholders to ask questions about or make comments on the management of the Company. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor, BDO Audit & Assurance (**BDO**), questions about the Auditor's Report, the conduct of its audit of the Company's Financial Report for the year ended 31 December 2024, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of BDO in relation to the conduct of the audit.

### Resolution 1 – Adoption of Remuneration Report (non-binding vote)

#### Reasons for Resolution

In accordance with section 300A of the Corporations Act the Company has proposed a Remuneration Report for the consideration of Shareholders.

As provided by section 250R(3) of the Corporations Act, the resolution on this item of business is advisory only and does not bind the Board or the Company. The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered.

Directors and KMP and their closely related parties will not be permitted to vote on this resolution.

#### Voting consequences

Under the Corporations Act, if at least 25% of the votes cast on a remuneration report resolution are voted against the adoption of the Remuneration Report in two consecutive annual general Meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general Meeting to consider the appointment of Directors of the Company at the second annual general Meeting (Spill Resolution).

#### Directors' Recommendation

Noting that each Director of the Company has a personal interest in their own remuneration the subject of this resolution and as a matter of corporate governance and in accordance with the spirit of section 250R(4) Corporations Act the Board does not consider it appropriate to make a recommendation to Shareholders in relation to voting on this resolution.



### **Voting Exclusion Statement**

As required by the Corporations Act, the Company will disregard any votes cast on resolution 1 by any member of the Company's KMP or a Closely Related Party of any such KMP unless the person:

- (i) votes as a proxy appointed by writing that specifies how the person is to vote on the resolution; or
- (ii) is the Chairman of the Meeting and votes as a proxy appointed by writing that authorises the Chairman to vote on the resolution even though that resolution relates to the remuneration of a member of the Company's KMP.

**What this means for Shareholders:** If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, please ensure that you direct them how to vote on Resolution 1. If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him how to vote by marking the boxes for Resolution 1 (for example, if you wish to vote for, against or abstain from voting), or you can choose not to mark any of the boxes for Resolution 1 and give the Chairman your express authority to vote your undirected proxy (in which case the Chairman will vote in favour of this item of business).

Shareholders should be aware that the Chairman intends to vote all undirected proxies given to the Chairman in favour of the resolutions of the Annual General Meeting, including this Resolution 1, subject to compliance with the Corporations Act.

### **Resolution 2 – Re-election of Director – Mr George Paxton**

In accordance with the Company's Constitution and ASX Listing Rule 14.5, an entity must hold an election of directors at each annual general meeting.

Mr Paxton was appointed as a director on 30 October 2020. Being eligible, he makes himself available for re-election at this Meeting. Details relevant to the consideration of Mr Paxton's appointment are set out below.

Mr Paxton is an experienced finance executive and has spent more than 15 years working in financial services including mergers and acquisitions, funds management, equity and credit research. He has extensive experience of valuation techniques and global accounting standards gained from time working across UK, Asia, the USA and Australia.

Mr Paxton is currently the Director of Amalgamated Australian Investment Group Limited, Ascot Securities Pty Ltd, Australian Investment and Insurance Group Pty Ltd, Australian Stock Report Pty Limited, APSEC Funds Holdings Pty Ltd, Infinity Financial Advice Pty Ltd, HC Securities Pty Ltd and Amalgamated Australian Investment Solutions Pty Limited.

Having regard to the ASX Principles, the Company's Board does not consider Mr Paxton to be an independent director.

### **Directors' Recommendation**

The Directors (with Mr Paxton abstaining) unanimously support the election of Mr Paxton and recommend that Shareholders vote in favour of this resolution.

### **Resolution 3 – Re-election of Director – Mr Nicolas Bryon**

In accordance with the Company's Constitution and ASX Listing Rule 14.4, a director appointed by the directors must not hold office past the next annual general meeting of the entity.

Mr Nicolas Bryon was appointed as a director on 30 October 2020. Being eligible, Mr Bryon makes himself available for re-election at this Meeting. Details relevant to the consideration of Mr Bryon's appointment are set out below.

Mr Bryon is the creator of the Halo Global software solution as it stands today. He has been involved in creating management information systems since early in his career when he was first employed at QANTAS in 1995. He brings substantial experience in managing development teams to deliver world-class products and infrastructure as well as providing the financial market and trading system knowledge to deliver world class applications that retail, high net worth individuals and advisors alike require to manage their day-to-day investing activities.

Mr Bryon has been involved in analysing companies and managing portfolios in financial markets for more than 20 years in various capacities. With his vast experience, he is able to provide unique insights into content and design to deliver continued product development opportunities that will be applicable across the globe. Nicolas is currently the director of Baige Holdings Pty Ltd, Webster CT Pty Ltd and Halleberry Investments Ltd and is the Appointer of The Bryon Family Trust.

Having had regard to the ASX Principles, the Company's Board does not consider Mr Bryon to be an independent director.

#### **Directors' Recommendation**

The Directors (with Mr Bryon abstaining) unanimously support the election of Mr Bryon and recommend that Shareholders vote in favour of this resolution.

### **Resolution 4 – Additional 10% placement capacity**

ASX Listing Rule 7.1A provides that an eligible entity (as defined below) may seek security holder approval by special resolution at its Annual General Meeting to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue over a period of 12 months after the Annual General Meeting (**10% Placement Capacity**). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

Resolution 4 is a Special Resolution and accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

If Resolution 4 is approved, the number of equity securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out below).

If Resolution 4 is not approved any further issues of securities in excess of the Company's remaining issuing capacity under Listing Rule 7.1 will require Shareholder approval.

An eligible entity is one that, as at the date of the relevant Annual General Meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$4.9 million (based on the number of Shares on issue and the closing price of Shares on ASX on 14 March 2025).

Any equity securities issued must be in the same class as an existing class of quoted equity securities. The Company currently has the following classes of security, being:

- 128,636,395 quoted fully paid ordinary shares (ASX Code: HAL);

The number of equity securities that the Company may issue under the approval sought by Resolution 4 will be calculated in accordance with the following formula as set out in ASX Listing Rule 7.1A:

$$(A \times D) - E$$

Where:

**A** = the number of fully paid Shares on issue at the commencement of the relevant period:

- (i) plus, the number of Shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9,16 or 17;
- (ii) plus, the number of Shares issued in the relevant period on the conversion of convertible securities under rule 7.2 exception 9 where:
  - a. the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
  - b. the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4;
- (iii) plus, the number of Shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
  - a. The agreement was entered into before the commencement of the relevant period; or
  - b. the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or 7.4;
- (iv) plus, the number of fully paid Shares issued in the relevant period with approval under Listing Rules 7.1 and 7.4;
- (v) Plus, the number of partly paid Shares that became fully paid in the relevant period;
- (vi) less the number of fully paid Shares cancelled in the relevant period.

**D** = 10%.

**E** = the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement to issue has not been subsequently approved by Shareholders under Listing Rules 7.4; and

*“relevant period” means the 12-month period immediately preceding the date of the issue or agreement.*

### Specific information required by Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to Resolution 4:

#### Minimum price

As required by ASX Listing rules 7.1A.3, the securities may only be issued for cash consideration per security which is not less than 75% of the volume weighted average price of securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the equity securities are to be issued is agreed; by the Company and the recipient of the securities; or
- (b) if the securities are not issued within 10 ASX trading days of the date in paragraph (i) above, the date on which the securities are issued.

#### Risk of voting dilution

Shareholders should be aware there is a risk of economic and voting dilution that may result from an issue of equity securities under the 10% Placement Capacity, including the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Meeting where approval is being sought; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the date of issue.

Any issue of equity securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any equity securities under the issue.

If Resolution 4 is approved and the Company issues the maximum number of equity securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the potential dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the basis of the current market price of the Shares and the current number of Shares on issue as at the date of this Notice of Meeting. The table also assumes that no options on issue are exercised into Shares before the date of issue of the equity securities.

The table also shows the voting dilution impact where the number of Shares on issue (Variable "A" in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.<sup>1</sup>

Variable A in Listing Rule 7.1.A.2		\$ 0.0190 50% decrease in issue price	\$ 0.0380 Issue Price	\$ 0.0760 100% increase in issue price
Current Variable A	10% Voting Dilution	12,863,640	12,863,640	12,863,640
128,636,395	Funds Raised	\$ 244,409	\$ 488,818	\$ 977,637
50% increase in				
Current Variable A	10% Voting Dilution	19,295,459	19,295,459	19,295,459
192,954,593	Funds Raised	\$ 366,614	\$ 733,227	\$ 1,466,455
100% increase in				
current Variable A	10% Voting Dilution	25,727,279	25,727,279	25,727,279
257,272,790	Funds Raised	\$ 488,818	\$ 977,637	\$ 1,955,273

**Notes:**

<sup>1</sup> The table has been prepared on the following assumptions:

- (a) The Company issues the maximum number of shares available under ASX Listing Rule 7.1A;
- (b) The table shows only the effect of shares issued under ASX Listing Rule 7.1A and does not factor in the Company's ability to issue up to 15% of its issued capital under ASX Listing Rule 7.1;
- (c) The current issue price is \$0.038, being the closing price of the Shares on ASX on 14 March 2025.
- (d) The current number of securities on issue is the Shares on issue as at 25 March 2024, being 128,636,395.

The table shows:

- two examples where Variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require approval (for example, a pro rata entitlements issue) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of shares has decreased by 50% and increased by 100% as against the current market price.

**Period for which the approval will be valid**

If Shareholder approval is granted for Resolution 4, then that approval will expire on the earlier of:

- (a) 26 May 2026, being 12 months from the date of the Meeting;
- (b) the time and date of the Company's next Annual General Meeting; or
- (c) the date Shareholder approval is granted to a transaction under ASX Listing Rule 11.1.2 (proposed change to nature and scale of activities) or ASX Listing Rule 11.2 (change involving main undertaking).

The approval under ASX Listing Rule 7.1A will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 or 11.2.

### **Purpose of Issue under 10% Placement Capacity**

The Company may issue equity securities under the 10% Placement Capacity for various purposes including general working capital purposes and to raise funds to further develop the Company's product offering as required.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.3 upon issue of any Equity Securities.

### **Allocation under the 10% Placement Capacity**

The allottees of the equity securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of equity securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (a) the purpose of the issue;
- (b) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (c) the effect of the issue of the equity securities on the control of the Company;
- (d) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (e) prevailing market conditions; and
- (f) advice from corporate, financial, and broking advisers (if applicable).

### **Securities issued or agreed to be issued under rule 7.1A.2 in the 12 months preceding the date of Meeting**

The Company issued nil Shares under ASX Listing Rule 7.1A.2 over the 12 months preceding the date of the Meeting.

### **Compliance with ASX Listing Rules 7.1A.4 and 3.10.3**

When the Company issues equity securities pursuant to the 10% Placement Capacity, it will give ASX:

- a) a list of the names of the persons to whom the Company issues the equity securities and the number of equity securities allotted to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and
- b) the information required by ASX Listing Rule 3.10.3 for release to the market.

At the date of the Notice of Meeting, the Company has not invited and has not determined to invite any particular existing Shareholder or an identifiable class of existing Shareholder to participate in an offer under ASX Listing Rule 7.1A. Accordingly, no existing Shareholder will be excluded from voting on this Resolution.

### **Director's Recommendation**

The directors unanimously recommend that Shareholders vote in favour of Resolution 4.

Halo Technologies Holdings Limited  
Level 4, 10 Barrack Street, Sydney, NSW  
[www.halo-technologies.com](http://www.halo-technologies.com)

## Voting Exclusion Statement

The Company will disregard any votes cast on the Resolution by or on behalf of:

- a person who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- an associate of that person or those persons.

However, the Company need not disregard a vote if it is cast by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Note: In accordance with ASX Listing Rule 14.11.1, as at the date of this Notice of Meeting it is not known who may participate in any placement utilising the 10% Placement Capacity (if any). On that basis, no Shareholders are currently excluded from voting on this Resolution.

### **Resolutions 5 to 7: Approval of Incentive Share Plan, Performance Rights Plan (Non-Executives) and Performance Rights Plan (Executives) (the Plans)**

ASX Listing Rule 7.1 provides that a company may not issue equity securities, or agree to issue equity securities, without the approval of shareholders, if the number of equity securities to be issued in any 12-month period (including shares issued on the exercise of any options) exceeds 15% of the issued capital of the company preceding the issue.

ASX Listing Rule 7.2 contains a number of exceptions to the prohibition contained in ASX Listing Rule 7.1. In particular, under Exception 13 in ASX Listing Rule 7.2, any equity securities issued under an employee incentive scheme within three years of the date on which Shareholders approve the issue of those equity securities are not counted for the purposes of ASX Listing Rule 7.1. Resolution 5 is designed to satisfy the requirements of Exception 13 in ASX Listing Rule 7.2 in relation to the Plan.

To the extent that issues under the Plans are made to Directors and their associates, separate approval under Listing 10.14 will be sought by the Company.

The Plans are designed as a standard component of non-executive and senior executive remuneration and are intended to comprise the long-term incentive component of remuneration for senior executives, including executive and non-executive directors.

Other than the Plans, the Company has no other employee, executive or non-executive share-based plans.

Grants made under the Plans are subject to a performance period (usually set at three years) and Incentive Shares and Performance Rights will only vest if the relevant performance conditions are satisfied at the end of the relevant assessment period. The Plans have generally been designed to link rewards to eligible senior executives and non-executives with improvements in Company performance and the delivery of returns to Shareholders, and for executives, to reward their performance.

If Resolutions 5 to 7 are passed, the Company will have the ability to issue Awards to eligible participants under the Plan over a period of 3 years without impacting on the Company's 15% placement capacity under Listing Rule 7.1.

If these Resolutions are not passed, and if Awards are issued under the Plans, any Awards issued will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date.

The Plans were established in 2022, prior to the Company's admission to the Official List. Details of each Plan are set out below.

Plan	Incentive Share Plan	Performance Rights Plan (Non-executives)	Performance Rights Plan (Executives)
No. of Securities issued before listing	3,347,872	3,750,000	15,000,000
No. of lapsed Securities	869,234	3,750,000	15,000,000
No. of vested Securities on issue	1,347,396	-	-
No. of unvested securities on issue	1,131,242	-	-

The 2025 AGM is held 3 years following Company's admission to the Official List and in order to continue to take advantage of Exception 13 in ASX Listing Rule 7.2 Shareholders must approve the Plans at the 2025 AGM.

A Copy of the Plans are attached at Annexure A, Annexure B and Annexure C.

#### Director's Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.

Given the interests of the directors in Resolutions 6 and 7, the Board makes no recommendation in relation to Resolutions 6 and 7.

#### Voting Exclusion Statement

The Company will disregard any votes cast in favour of these Resolutions by or on behalf of any person who is eligible to participate in the employee incentive scheme, and any other person referred to in Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question, or any of their respective associates,



However, this does not apply to a vote cast in favour of the Resolution by:

- A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Resolution 8 – Increase in Directors’ fees**

Resolution 8 seeks approval to set the maximum aggregate remuneration payable to non-executive directors at \$480,000 per annum. Under rule 10.7 of the Constitution and Listing Rule 10.17, the approval of the Company’s shareholders at a general meeting is required for the increase. The current approved maximum aggregate remuneration payable is \$360,000 per annum.

No increase in the maximum aggregate remuneration of non-executive directors has been sought since the initial public offering of the Company in April 2022.

The higher maximum aggregate remuneration is being sought to allow the Company the flexibility to increase the number of non-executive director appointments, whilst providing accommodation for future fee increases in line with industry standards.

If Resolution 8 is not passed, the maximum aggregate amount of fees payable to non-executive directors will remain at \$360,000. This may inhibit the ability of the Company to remunerate, attract and retain appropriately skilled non-executive directors in the near term.

The maximum aggregate remuneration of non-executive directors is applied in accordance with the direction of the directors.

Details of the Directors’ remuneration for the period ended 31 December 2024 are contained in the Remuneration Report.

No securities have been issued to Directors in the 3 years to the date of this meeting.

### **Director’s Recommendation**

Given the interests of the directors in this item of business, the Board makes no recommendation in relation to Resolution 8.

## Voting Exclusion Statement

The Company will disregard any votes cast on the Resolution by or on behalf of:

- A director of the entity; or
- an associate of that person.

However, the Company need not disregard a vote if it is cast by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## Glossary

**Annual General Meeting** or **AGM** or **Meeting** means the Annual General Meeting of the Company to be held on 26 May 2025, notice of which is set out herein.

**Board** means the board of directors of the Company.

**Chairman** means the chairperson of the general meeting.

**Company** or **Halo** means Halo Technologies Holding Limited ACN 645 531 219

**Corporations Act** means the *Corporations Act 2001 (Cth)*.

**Constitution** means the Company's constitution, which is the set of rules that govern a company.

**Directors** means the directors of Halo Technologies Holdings Limited, and **Director** means any one of them.

**Explanatory Memorandum** means this Explanatory Memorandum as modified or varied by any supplementary Memorandum issued by the Company from time to time;

**Notice** or **Notice of Meeting** means this notice convening the annual general meeting of the Company which accompanies this Explanatory Memorandum.

**Proxy Form** means the proxy form that is enclosed with and forms part of this Notice.

**Resolution** means a formal decision passed by Shareholders at a general meeting in the form proposed in the Notice of meeting. There are two types of Resolution, Ordinary and Special. An

**Ordinary Resolution** is a Resolution passed by a simple majority of Shareholders (i.e., by more than 50% of the vote). A **Special Resolution** is a Resolution passed by 75% or more of the vote.

**Share** means an ordinary fully paid share in the Company.

**Shareholder** means a registered holder of a Share in the Company.

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24 April 2025

Dear Shareholder

**Annual General Meeting – 26 May 2025**

The Annual General Meeting of shareholders of Halo Technologies Holdings Limited (**Company**) will be held via webcast hosted on the Zoom meeting platform.

Meeting time: **10.00 a.m. (AEST)**

Meeting Date: **Monday, 26 May 2025 (Meeting).**

Shareholders can register in advance of the AGM by completing the registration form. Once registered, the platform will send the meeting link and passcode to attend the meeting.

**A Voting Access Code (VAC) shown below, is required while completing the registration for the meeting. Halo Technologies Limited will use the VAC code to validate votes submitted at the meeting.**

**Zoom meeting Registration Link:** <https://bit.ly/halo2025agm>

**Voting Access Code (VAC):**

Alternatively, please scan the QR code to access the link:



In accordance with the Corporations Act 2001, the Company will not be dispatching physical copies of the Notice. Instead, the Notice of Meeting and accompanying explanatory statement (**Meeting Materials**) are being made available to shareholders electronically.

- You can access the Meeting Materials including the Halo Technologies Limited **Annual Report** online at our share registry's website <https://www.investorserve.com.au/> by logging in and selecting Company Announcements from the main menu.
- A complete copy of the Meeting Materials has been posted to the Company's ASX Market announcements page - <https://www.halo-technologies.com/investors/asx-announcements/>.

**HOW TO SUBMIT YOUR VOTE IN ADVANCE OF THE MEETING**

**Proxy votes may be submitted online:**

1. Visit the Company's Share Registry Proxy voting portal at <https://www.votingonline.com.au/haloagm2025>.
2. Enter your Postcode (if within Australia) OR Country of Residence (if outside Australia)
3. Enter your Voting Access Code (VAC)
4. Follow the prompts to vote on each resolution

To be valid, please ensure your voting instructions are received **no later than 10.00 am (AEST) on Saturday, 24 May 2025**. Any voting instructions received after that time will not be valid for the scheduled meeting. If you would like a paper Proxy Form to complete, please contact our share registry on the details below.

If you are unable to access the Meeting Materials online please contact our share registry Boardroom Pty Limited on [enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au) or 1300 737 760 (within Australia) or +61 2 9290 9600 (Outside Australia) between 8:30 am and 5:30 pm (AEST/AEDT) Monday to Friday, to arrange a copy.

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Halo Technologies Holdings Limited  
ACN 645 531 219  
Level 8, 210 George Street, Sydney NSW 2000  
<https://www.halo-technologies.com/>

We look forward to your participation at the AGM and thank you for your continued support.

Yours sincerely

**Eryl Baron**

Company Secretary

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## All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)
- ☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00 a.m. (AEST) on Saturday, 24 May 2025**

### 📧 TO APPOINT A PROXY ONLINE

### 📱 BY SMARTPHONE

**STEP 1: VISIT** <https://www.votingonline.com.au/haloagm2025>

**STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**

**STEP 3: Enter your Voting Access Code (VAC):**



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

#### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

#### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders should sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00 a.m. (AEST) on Saturday, 24 May 2025**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 💻 **Online** <https://www.votingonline.com.au/haloagm2025>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited  
Level 8, 210 George Street  
Sydney NSW 2000 Australia

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐

**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

**Please note, you cannot change ownership of your securities using this form.**

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Halo Technologies Holdings Limited** and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held **virtually via webcast hosted on the Zoom Workplace platform** <https://bit.ly/halo2025agm> **on Monday, 26 May 2025 at 10:00 am AEST** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting is authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1 & 6, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Item even though Resolution 1 & 6 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1 & 6). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

**STEP 2 VOTING DIRECTIONS**

\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr George Paxton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Nicolas Bryon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Additional 10% Placement Capacity ( <b>Special Resolution</b> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Incentive Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of Performance Rights Plan (Non-executives)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of Performance Rights Plan (Executives)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Increase in Non-Executive Director Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**STEP 3 SIGNATURE OF SECURITYHOLDERS**

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2025

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**HALO TECHNOLOGIES HOLDINGS LIMITED**

**INCENTIVE SHARE PLAN**

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#### **SCHEDULE – 1 - INVITATION**

#### **SCHEDULE – 2 – ACCEPTANCE FORM**

**HALO TECHNOLOGIES HOLDINGS LIMITED**  
**ACN 645 531 219**

**INCENTIVE SHARE PLAN**

The Directors are empowered to operate the HALO technologies Holdings Limited Incentive Share Plan (the **Plan**) on the following terms and in accordance with the ASX Listing Rules (where applicable).

**1. DEFINITIONS AND INTERPRETATION**

---

**1.1 Definitions**

In this Plan:

**Acceptance Form** means the Acceptance Form by which an Eligible Participant or Nominee (as applicable) accepts an Offer for Shares, in substantially the same form as set out in **Schedule 2** or as otherwise approved by the Company from time to time.

**ASIC** means the Australian Securities and Investments Commission.

**Associated Body Corporate** means a subsidiary (as defined in section 46 of the Corporations Act) of the Company.

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange which it administers, as the context requires.

**ASX Listing Rules** means the official Listing Rules of the ASX as they apply to the Company from time to time.

**Bad Leaver** means a Participant (and where the Participant is a Nominee, means the Participant who directed the Plan Shares to be issued to that Nominee), who ceases to be an Eligible Participant or to hold office in any of the following circumstances:

- (a) The Participant's employment or right to render Services is terminated, or the Participant is dismissed from office, due to serious misconduct, material breach, gross negligence or other conduct which in the sole and absolute discretion of the Company justified termination of employment without notice; or
- (b) The Participant resigns or ceases his employment with or engagement by the Company and commences employment with or holds the office of a consultant to or director (other than as non-executive director) of or directly or indirectly holds more than 5% of the issued capital of a Competitor within 12 months of his resignation; or
- (c) The Participant resigns or ceases his employment with or engagement by the Company and is otherwise in breach of any non-compete provisions contained in his contract of employment or engagement with the Company, this Plan or the invitation to participate in this Plan (if any); or

- (d) The Participant becomes ineligible to hold his office within the Company for the purposes of Part 2D.6 of the Corporations Act.

**Blackout Period** means a period when the Participant is prohibited from trading in the Company's securities under the Company's written policies.

**Board** means the board of Directors of the Company or committee appointed by the Board for the purposes of the Plan.

**Business Day** means a day on which banks are open for general banking business in New South Wales, excluding Saturdays, Sundays and public holidays in New South Wales.

**Change of Control** means:

- (a) a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Company's issued Shares;
- (b) a court approves, under Section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (c) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

**Class Order** means ASIC Class Order 14/1000 as amended or replaced.

**Closing Date** means the date on which an Offer is stated to close.

**Company** means HALO technologies Holdings Limited ACN 645 531 219 of Level 4, 10 Barrack Street, Sydney, NSW 2000.

**Competitor** means an entity that carries on the same, or substantially the same, business as carried on by the Company during the 12 months immediately preceding termination of employment with or engagement of the Eligible Participant by the Company.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means any person occupying the position of a director of any Group Company (including an alternate director or managing director appointed in accordance with the relevant constitution).

**Eligible Participant** means:

- (a) a Director (whether executive or non-executive) of any Group Company;
- (b) a full or part time employee of any Group Company;
- (c) a casual employee or contractor of a Group Company; or

- (d) a consultant to the Company (not being a professional adviser to the Company) who serves an executive function within the Company; or
- (e) a prospective participant, being a person to whom the Offer is made but who can only accept the Offer if an arrangement has been entered into that will result in the person becoming an Eligible Participant under Rule (a) or (b) above,

who is declared by the Board to be an Eligible Participant for the purposes of the Plan.

**Fair Market Value** as of any date means the value of a Plan Share, as determined by the Board in good faith on such basis as it deems appropriate and applied consistently in respect of all Plan Shares.

**Good Leaver** means a Participant (and where the Participant is a Nominee, means the Participant who directed the Plan Shares to be issued to that Nominee), who is not a Bad Leaver or in the reasonable opinion of the Board is deemed not a Bad Leaver, and includes the termination of a Participant's employment or engagement as a result of death, permanent incapacity, redundancy or retirement.

**Group** means the Company and any other Group Company.

**Group Company** means the Company or any Associated Body Corporate.

**Holding Lock** has the meaning given to that term in the ASX Listing Rules.

**Issue Date** in relation to particular Plan Shares, means the date on which the Plan Shares are issued.

**Issue Price** means the price at which the Company offers to issue a Plan Share to an Eligible Participant in accordance with Rule 4.6.

**Nominee** means a nominee of an Eligible Participant that is one of the following:

- (a) an immediate family member of the Eligible Participant or (subject to Board approval) a trustee of a superannuation fund whose beneficiaries are limited to the Eligible Participant and/or the Eligible Participant's immediate family members;
- (b) a company whose members comprise no persons other than the Eligible Participant or immediate family members of the participant; or
- (c) a corporate trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*) where the Eligible Participant is a director of the trustee.

**Notice of Withdrawal of Plan Shares** means a duly completed and executed request for permission by a Participant to withdraw some or all of their Plan Shares from the Plan or request and authorisation of the Trustee to sell some or all of their Plan Shares at or above the current market price of the Plan Shares, submitted by a Participant to the Trustee, in respect of Plan Shares previously notified by the Trustee as having been acquired for the benefit of that Participant. Such Notice of Withdrawal of Plan Shares shall specify the number of Plan Shares to be withdrawn or sold and be submitted on the form approved by the Board.

**Offer** means an offer made to an Eligible Participant to subscribe for one or more Shares under the Plan as set out in an Offer Document.

**Offer Document** means an offer document in substantially the same form as set out in **Schedule 2**, or such other form as approved by the Board from time to time consistent with the Corporations Act and the Class Order.

**Participant** means an Eligible Participant to whom Shares have been issued under the Plan, or if Rule 4.4 applies, a Nominee of the Eligible Participant to whom Shares have been issued under the Plan.

**Plan** means the plan as set out in this document, subject to any amendments or additions made under Rule 11.

**Plan Share** means a Share issued pursuant to the Plan.

**Redundancy** means termination of the employment, office or engagement of a Relevant Person due to economic, technological, structural or other organisational change where:

- (a) no Group Company requires the duties and responsibilities carried out by the Relevant Person to be carried out by anyone; or
- (b) no Group Company requires the position held by the Relevant Person to be held by anyone.

**Relevant Interest** has the meaning given in the Corporations Act.

**Relevant Person** means:

- (a) in respect of an Eligible Participant, that person; and
- (b) in respect of a Nominee of an Eligible Participant, that Eligible Participant.

**Restriction Period** means, in relation to a Plan Share, the period commencing on the date of issue of the Plan Share and ending on the date all Vesting Conditions that apply to that Plan Share (if any) are satisfied or waived

**Retirement** means where a Relevant Person intends to permanently cease all Services to a Group Company in circumstances where the Relevant Person provides, in good faith, a written statutory declaration to the Board to that effect.

**Rules** mean these rules in respect of the operation of the Plan.

**Services** means services rendered to the Company by a Participant either personally or via a Nominee.

**Share** means an ordinary fully paid share in the capital of the Company.

**Share Payment** means, in respect of an Eligible Participant, an amount equal to the Issue Price multiplied by the number of Plan Shares accepted by the Eligible Participant in their Acceptance Form.

**Shareholder** means a holder of Shares.

**Special Circumstances** means:

- (a) a Relevant Person ceasing to be an Eligible Participant due to:
  - (i) death or Total or Permanent Disability of a Relevant Person; or
  - (ii) Retirement or Redundancy of a Relevant Person; or
- (b) any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the relevant Participant which circumstances has resulted in or will result in the termination of a Relevant Person's employment or engagement.

**Subscription** means the date on which the Company issues the Plan Shares to the Participant under clause 6.

**Takeover Bid** means a takeover bid (as defined in the Corporations Act) to acquire Shares.

**Tax Act** means the *Income Tax Assessment Act 1997* (Cth).

**Total and Permanent Disability** means that the Relevant Person has, in the opinion of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Relevant Person unlikely ever to engage in any occupation with the Company or its Associated Bodies Corporate for which he or she is reasonably qualified by education, training or experience.

**Trustee** means a trustee appointed by the Company to act as a trustee in respect of Plan Shares in accordance with a Trust Deed.

**Vest** means the devolving on the Participant of an inalienable right to the relevant proportion of Plan Shares on the terms set out in this Plan.

**Vesting Date** in relation to the Plan Shares means subject to **clause 8** and to any contingencies, hurdles and targets as the Board may have stipulated in the Invitation or thereafter, the date on which the Participant's Plan Shares (or any proportion of them) are no longer subject to Buy-Back or Cancellation, being:

- (a) 25% of all Plan Shares for which the Participant subscribes, on the 1<sup>st</sup> annual anniversary of the date of Subscription;
- (b) 25% of all Plan Shares for which the Participant subscribes, on the 2<sup>nd</sup> annual anniversary of the date of Subscription;
- (c) 25% of all Plan Shares for which the Participant subscribes, on the 3<sup>rd</sup> annual anniversary of the date of Subscription; and
- (d) the balance of all Plan Shares for which the Participant subscribes, on the 4<sup>th</sup> annual anniversary of the date of Subscription,

provided that as at the relevant Vesting Date the Participant remains in the employ of a Group Entity.

**Vesting Condition** means, in respect of a Plan Share, a condition set out in an Offer that must be satisfied (unless waived in accordance with this Plan) before that Plan Share can be sold, transferred, assigned, charged or otherwise encumbered.

**Voting Power** has the meaning given to that term in Section 9 of the Corporations Act.

## 1.2 Interpretation

In this Plan unless the context otherwise requires:

- (a) headings are for convenience only and do not affect the interpretation of this Plan;
- (b) any reference in the Plan to any enactment of the ASX Listing Rules includes a reference to that enactment or those ASX Listing Rules as from time to time amended, consolidated, re-enacted or replaced;
- (c) the singular includes the plural and vice versa;
- (d) any words denoting one gender include the other gender;
- (e) where any word or phrase is given a definite meaning in this Plan, any part of speech or other grammatical form of that word or phrase has a corresponding meaning;
- (f) a reference to:
  - (i) a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate;
  - (ii) a document includes all amendments or supplements to that document;
  - (iii) a Rule is a reference to a Rule of this Plan;
  - (iv) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, Rule of common law or equity and is a reference to that law as amended, consolidated or replaced;
  - (v) an agreement other than this Plan includes an undertaking, or legally enforceable arrangement or understanding, whether or not in writing; and
  - (vi) a monetary amount is in Australian dollars; and
- (g) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day.
- (h) The obligations and liabilities imposed and the rights and benefits conferred on persons under this Plan will be binding upon and enure in favour of the respective



persons and each of their respective successors in title, legal personal representatives and permitted assigns.

- (i) Where any calculation or adjustment is to be made under these Rules results in a fraction of a Share, the fraction must be eliminated by rounding up or down to the nearest whole number.

## 2. PURPOSE

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The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants;
- (b) link the reward of Eligible Participants to performance and the creation of Shareholder value;
- (c) align the interests of Eligible Participants more closely with the interests of Shareholders by providing an opportunity for Eligible Participants to receive Shares;
- (d) provide Eligible Participants with the opportunity to share in any future growth in the value of the Company; and
- (e) provide greater incentive for Eligible Participants to focus on the Company's longer term goals.

## 3. COMMENCEMENT AND TERM

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- (a) This Plan will commence on the date determined by resolution of the Board and will continue until terminated by the Board.
- (b) The Board may terminate the Plan at any time by resolution. Termination shall not affect the rights or obligations of a Participant or the Company which have arisen under the Plan before the date of termination and the provisions of the Plan relating to a Participant's Shares shall survive termination of the Plan until fully satisfied and discharged.

## 4. OFFER OF PLAN SHARES

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### 4.1 Making of Offers

- (a) The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an Offer) to apply for up to a specified number of Plan Shares, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines (**Offer**).
- (b) In exercising its discretion to make an Offer, the Board may have regard to the following (without limitation):
  - (i) the Eligible Participant's length of service with the Group;

- (ii) the contribution made by the Eligible Participant to the Group;
  - (iii) the potential contribution of the Eligible Participant to the Group; or
  - (iv) any other matter the Board considers relevant.
- (c) For the avoidance of doubt, nothing in this document obliges the Company at any time to make an Offer, or further Offer, to any Eligible Participant.
- (d) In the event of conflict or inconsistency between the terms set out in the Plan and the additional terms and conditions in the Offer to any Eligible Participant, the terms set out in the Plan will prevail.

#### 4.2 Offer Document

An Offer must be made using an Offer Document.

#### 4.3 Personal Offer

Subject to Rule 4.4, an Offer is personal and is not assignable.

#### 4.4 Nominee

- (a) Upon receipt of an Offer, an Eligible Participant may, by notice in writing to the Board, nominate a Nominee in whose favour the Eligible Participant wishes to renounce the Offer.
- (b) The Board may, in its discretion, resolve not to allow a renunciation of an Offer in favour of a Nominee without giving any reason for that decision.

#### 4.5 Minimum Contents of Offer Document

An Offer Document will advise the Eligible Participant of the following minimum information regarding the Plan Shares offered:

- (a) the maximum number of Plan Shares that the Eligible Participant may apply for, or the formula for determining the number of Plan Shares Rights that may be applied for;
- (b) the Issue Price of the Plan Shares, or the formula for determining the Issue Price;
- (c) any applicable Vesting Conditions;
- (d) the date by which an Offer must be accepted (**Closing Date**); and
- (e) any other information required by law or the ASX Listing Rules or considered by the Board to be relevant to the Plan Shares.

#### 4.6 Number of Shares

Subject to Rule 4.10, the number of Shares to be offered to an Eligible Participant from time to time will be determined by the Board in its discretion and in accordance with applicable

law and the ASX Listing Rules.

#### 4.7 **Issue Price**

- (a) The Issue Price of the Plan Shares offered under an Offer shall be determined by the Board in its absolute discretion, in accordance with applicable law and the ASX Listing Rules.
- (b) Subject to the foregoing, the Issue Price of the Plan Shares shall not be less than 85% of its Fair Market Value.

#### 4.8 **Vesting Conditions**

A Plan Share may be made subject to Vesting Conditions as determined by the Board in its discretion and as specified in the Offer for the Plan Shares. However, any vesting conditions determined by the Board cannot override Rule 6.8(a).

#### 4.9 **Share Restriction Period**

A Share issued under this Plan may be subject to a Restriction Period as determined by the Board in accordance with Rule 6.7 of this Plan.

#### 4.10 **Limits on Offers**

The Company must have reasonable grounds to believe, when making an Offer, that the number of Shares offered under an Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.

### 5. **ACCEPTANCE OF OFFER**

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#### 5.1 **Acceptance of Offer**

An Eligible Participant (or Nominee) may accept an Offer in whole or in part, by signing and returning an Acceptance Form to the Company no later than the Closing Date together with payment in full of the Share Payment (if any) for those Plan Shares.

#### 5.2 **Board's right to reject**

- (a) The Board may accept or reject any Acceptance Form in its absolute discretion.
- (b) Before accepting or rejecting the Acceptance Form, the Board may require the Eligible Participant to provide any information that the Board requests concerning the person's entitlement to lodge an Acceptance Form under this Plan.
- (c) The Board must promptly notify an Eligible Participant if an Acceptance Form has been rejected, in whole or in part and must promptly refund any Share Payment paid by the Eligible Participant to the extent an Acceptance Form is rejected.

### 5.3 Participant Agrees to be Bound

- (a) An Eligible Participant, by submitting an Acceptance Form, agrees to be bound by the terms and conditions of the Offer and the Acceptance Form, the Plan and the Constitution of the Company, as amended from time to time.
- (b) If the Board resolves to allow a renunciation of an Offer in favour of a Nominee, the Eligible Participant will procure that the permitted Nominee accepts the Offer made to that Eligible Participant and that both the Eligible Participant and the Nominee agree to be bound by the terms and conditions of the Offer and the Acceptance Form, the Plan and the Constitution of the Company, as amended from time to time.

### 5.4 Lapse of Offer

To the extent an Offer is not accepted in accordance with Rule 5.1, the Offer will lapse on the day following the Closing Date, unless the Board determines otherwise.

## 6. ISSUE OF PLAN SHARES

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### 6.1 Issue of Plan Shares

Subject to Rule 6.2 and 6.3, once the Board has received and accepted a duly signed and completed Acceptance Form for Plan Shares, the Company must, provided the Eligible Participant to whom the Offer was made remains an Eligible Participant, promptly:

- (a) issue the applicable Plan Shares to the Participant, upon the terms set out in the Offer, the Acceptance Form and the Plan and upon such additional terms and conditions as the Board determines;
- (b) despatch a share certificate or enter the Plan Shares in the Participant's uncertificated holding, as the case may be; and
- (c) unless the Plan Shares are subject to Vesting Conditions, apply for quotation on the ASX of Plan Shares issued under the Plan as soon as practicable after the Issue Date in accordance with the ASX Listing Rules.

### 6.2 Approvals

The Company's obligation to issue Plan Shares is conditional on:

- (a) the issue of the Plan Shares complying with all applicable legislation and the ASX Listing Rules; and
- (b) all necessary approvals required under any applicable legislation and the ASX Listing Rules being obtained prior to the issue of the Plan Shares.

### 6.3 Blackout, Takeover Restrictions and Insider Trading

If the issue of Plan Shares would otherwise fall within a Blackout Period, or breach the insider trading or takeover provisions of the Corporations Act, the Company may delay the issue of

the Plan Shares until 10 Business Days following the expiration, as applicable, of the Blackout Period or the day on which the insider trading or takeover provisions no longer prevent the issue of the Plan Shares.

#### 6.4 **Withholding**

If a Participant is liable for tax, duties or other amounts on the issue of their plan Shares, and the Company is liable to make a payment to the appropriate authorities on account of that liability, unless the Participant and the Company agree otherwise, the Company must issue and sell such number of Plan Shares which would otherwise be issued and allocated to the Participant so that the net proceeds of sale equal the payment the Company is required to pay to the appropriate authorities.

#### 6.5 **Rights attaching to Plan Shares**

A Participant will, from and including the Issue Date, be the legal owner of the Plan Shares issued under the Plan and subject to Rule 9.5, will be entitled to dividends and to exercise voting rights attached to the Plan Shares.

#### 6.6 **Share ranking**

Each Plan Share shall be issued on the same terms and conditions as the Company's issued Shares (other than in respect of restrictions imposed by the Plan) and it will rank equally with all other issued Shares from the Issue Date except for entitlements which have a record date before the Issue Date and other than in respect of any restrictions imposed by the Plan.

#### 6.7 **Quotation on ASX**

If Shares of the same class as those issued under the Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Plan Shares to be quoted on ASX within the later of 10 Business Days after:

- (a) the date the Plan Shares are issued; and
- (b) the date any Restriction Period that applies to the Plan Shares ends.

#### 6.8 **Sale of Plan Shares**

- (a) Unless the Shareholder disposes of a Plan Share under an arrangement which meets the requirement in section 83A-130 of the Tax Act, a legal or beneficial interest in a Plan Share may not be disposed of until the earlier of:
  - (i) 3 years after the issue of the Plan Share or such earlier time as the Commissioner of Taxation allows in accordance with section 83A-45(5) of the Tax Act; and
  - (ii) Where the Shareholder becomes a Leaver.
- (b) Subject to Rules 6.8(a) and 7 (*Restriction on Dealing in Plan Shares*), there will be no transfer restrictions on Plan Shares issued under the Plan unless the sale, transfer or disposal by the Participant of the Plan Shares issued to them would

require the preparation of a disclosure document (as that term is defined in the Corporations Act).

- (c) If a disclosure document is required, the Participant agrees to enter into such arrangements with the Company as the Board considers appropriate to prevent the sale, transfer or disposal of the relevant Plan Shares in a manner that would require a disclosure document to be prepared.
- (d) The Company will issue, where required to enable Plan Shares to be freely tradeable on the ASX (subject to any Restriction Period), a cleansing statement under Section 708A(5) of the Corporations Act at the time Plan Shares are issued. Where a cleansing statement is required, but cannot be issued, the Company will have a prospectus available in relation to the Plan Shares which complies with the requirements of the Corporations Act.

## **7. RESTRICTIONS ON DEALING IN PLAN SHARES**

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### **7.1 Restriction Period**

- (a) Subject to Rule 7.1(b) and Rule 7.2, a Participant may not dispose or otherwise deal with any Plan Shares until the end of any Restriction Period applying to that Plan Share.
- (b) Rule 7.1(a) does not apply to any transfers of Shares by force of law, upon death, to the Participant's legal personal representative or, upon bankruptcy, to the Participant's trustee in bankruptcy.

### **7.2 Restriction Period Exceptions**

Notwithstanding Rule 7.1, the Board may in its absolute discretion except in respect of Rule 7.2(b) where any Restriction Period is deemed to be automatically waived, by written notice to a Participant, resolve to waive any Restriction Period (including any Vesting Condition) applying to Plan Shares due to:

- (a) Special Circumstances arising in relation to a Relevant Person in respect of those Plan Shares;
- (b) a Change in Control occurring;
- (c) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

### **7.3 Enforcement of Restriction Period**

- (a) The Company may implement any procedure it considers appropriate to restrict a Participant from dealing with any Plan Shares for as long as those Plan Shares are subject to a Restriction Period.
- (b) The Participant agrees to:

- (i) execute an ASX restriction agreement in relation to the Plan Shares reflecting any Restriction Period applying to the Plan Shares under the Plan;
- (ii) the Company lodging the share certificates for Plan Shares (where issuer sponsored) with a bank or recognised trustee to hold until the expiry of any Restriction Period applying to the Plan Shares or until the Plan Shares are otherwise released from restrictions (at which time the Company shall arrange for the share certificates to be provided to the Participant); and
- (iii) the application of a Holding Lock over Plan Shares until any Restriction Period applying to the Plan Shares under the Plan has expired (at which time the Company shall arrange for the Holding Lock to be removed).

#### 7.4 Lapse of Restriction Period

When a Restriction Period in respect of a Plan Share ends, all restrictions on disposing of or otherwise dealing or purporting to deal with that Plan Share provided in or under these Rules will cease.

#### 7.5 Hedging Prohibition

A Participant must not enter into any arrangement for the purpose of hedging, or otherwise affecting their economic exposure, to their Plan Shares.

### 8. FORFEITURE OF PLAN SHARES

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#### 8.1 Forfeiture, Buyback and Cancellation

Except as otherwise provided by this Plan, a Plan Share will be forfeited, and the Company must, subject to the Corporations Act and the ASX Listing Rules, buy back and/or cancel or transfer (for value) to another Eligible Participant, a Plan Share under Part 2J.1 of the Corporations Act where:

- (a) an unauthorised dealing in, or hedging of, the Plan Share occurs, as governed by Rule 6.7 or an applicable Trust Deed;
- (b) a Vesting Date has not arrived (then only in respect of the Plan Shares not yet Vested);
- (c) a Vesting Condition in relation to the Plan Share is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition under Rule 7.2 or Rule 1.1(a)(ii) applies;
- (d) a Relevant Person ceases to be an Eligible Participant and, at that time, there is a Vesting Condition in relation to that Plan Share that is unsatisfied or is incapable of satisfaction in the opinion of the Board, unless the Board:
  - (i) exercises its discretion to waive that Vesting Condition under Rule 7.2; or

- (ii) in its absolute discretion, resolves to allow the Vesting Condition to continue to apply to the Plan Share after the Relevant Person ceases to be an Eligible Participant;
- (e) the Board deems that a Plan Share is forfeited due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant under Rule 8.2 (*Fraud and Related Matters*); or
- (f) the Company undergoes a Change in Control or a winding up resolution or order is made, and the Board does not waive the Vesting Condition in accordance with Rule 7.2.

## 8.2 Fraud and Related Matters

Notwithstanding any other provision of this Plan, where a Relevant Person:

- (a) in the opinion of the Board, acts fraudulently or dishonestly, is grossly negligent, demonstrates serious and wilful misconduct, or causes a material adverse effect on the reputation of the Company;
- (b) has his or her employment or office terminated due to serious or wilful misconduct or otherwise for cause without notice;
- (c) is otherwise a Bad Leaver; or
- (d) becomes ineligible to hold his or her office due to Part 2D.6 of the Corporations Act,

the Board may, by written notice to the Participant, deem any Plan Shares issued in respect of that Relevant Person to be forfeited and require the relevant Participant to do all such things necessary to cancel any Plan Shares issued.

## 8.3 Consideration for Buyback

A buyback of a Plan Share must be at a price equal to the cash consideration paid by the Participant for the Plan Shares.

## 8.4 Power of Attorney

For the purposes of Rule 7.4, the Participant irrevocably appoints each of the Company and each director of the Company severally as his or her attorney to do all things necessary to give effect to the buy back of the Participant's Plan Shares including executing all documents and seeking or providing all necessary approvals and the Participant acknowledges and agrees that the power of attorney is given for valuable consideration (in the form of the Plan Shares).

# 9. PARTICIPATION RIGHTS AND REORGANISATIONS

## 9.1 Participation Rights

Subject to the Plan, a Participant, upon issue of Plan Shares, will enjoy all rights attaching to Shares of the Company.



## 9.2 Adjustments for Reorganisation

If at any time the capital of the Company is reorganised (including consolidation, subdivision, reduction or return), the terms of the Plan Shares will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

## 10. OVERRIDING RESTRICTIONS ON ISSUE

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Notwithstanding the Rules or the terms of any Plan Share, no Plan Share may be offered or issued under the Plan if to do so:

- (a) would contravene the Corporations Act, the ASX Listing Rules or any other applicable law; or
- (b) would contravene the local laws or customs of an Eligible Participant's country of residence or in the opinion of the Board would require actions to comply with those local laws or customs which are impractical.

## 11. AMENDMENTS

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### 11.1 Power to amend Plan

Subject to Rule 11.2, the Corporations Act and the ASX Listing Rules:

- (a) the Board may, at any time, by resolution amend or add to all or any of the provisions of the Plan, an Offer or the terms or conditions of any Plan Shares granted under the Plan; and
- (b) any amendment may be given such retrospective effect as is specified in the written instrument or resolution by which the amendment is made.

### 11.2 Adjustment to Plan Share Terms

No adjustment or variation of the terms of a Plan Share will be made without the consent of the Participant who holds the relevant Plan Share if such adjustment or variation would have a materially prejudicial effect upon the Participant (in respect of his or her outstanding Plan Shares), other than an adjustment or variation introduced primarily:

- (a) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legislation governing or regulating the maintenance or operation of the Plan or like plans;
- (b) to correct any manifest error or mistake;
- (c) to enable a member of the Group to comply with the Corporations Act, the ASX Listing Rules, applicable foreign law, or a requirement, policy or practice of the ASIC or other foreign or Australian regulatory body; or
- (d) to take into consideration possible adverse taxation implications in respect of the Plan, including changes to applicable taxation legislation or the interpretation of

that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation.

### 11.3 Notice of amendment

As soon as reasonably practicable after making any amendment under Rule 12, the Board will give notice in writing of that amendment to any Participant affected by the amendment.

## 12. MISCELLANEOUS

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### 12.1 Rights and obligations of Participant

- (a) The rights and obligations of an Eligible Participant under the terms of their office, employment or contract with a Group Company are not affected by their participating in the Plan. This Plan will not form part of, and are not incorporated into, any contract of any Eligible Participant (whether or not they are an employee of a Group Company).
- (b) No Participant will have any rights to compensation or damages in consequence of:
  - (i) the termination, for any reason, of the office, employment or other contract with a Group Company of the Participant (or, where the Participant is a Nominee of the Eligible Participant, that Eligible Participant) where those rights arise, or may arise, as a result of the Participant ceasing to have rights under the Plan as a result of such termination; or
  - (ii) the forfeiture of Plan Shares in accordance with this Plan.
- (c) Nothing in this Plan, participation in the Plan or the terms of any Plan Share:
  - (i) affects the rights of any Group Company to terminate the employment, engagement or office of an Eligible Participant or a Participant (as the case may be);
  - (ii) affects the rights and obligations of any Eligible Participant or Participant under the terms of their employment, engagement or office with any Group Company;
  - (iii) confers any legal or equitable right on an Eligible Participant or a Participant whatsoever to take action against any Group Company in respect of their employment, engagement or office;
  - (iv) confers on an Eligible Participant or a Participant any rights to compensation or damages in consequence of the termination of their employment, engagement or office by any Group Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination; or

- (v) confers any responsibility or liability on any Group Company or its directors, officers, employees, representatives or agents in respect of any taxation liabilities of the Eligible Participant or Participant.
- (d) If a Vesting Condition attached to a Share requires a Participant to remain an employee of a Group Company, then the Participant will be treated as having ceased to be an employee of a Group Company at such time the Participant's employer ceases to be a Group Company.
- (e) A Participant who is granted an approved leave of absence and who exercises their right to return to work under any applicable award, enterprise agreement, other agreement, statute or regulation will be treated for those purposes as not having ceased to be such an employee.

## 12.2 Power of the Board

- (a) The Plan is administered by the Board which has power to:
  - (i) determine appropriate procedures for administration of the Plan consistent with this Plan; and
  - (ii) delegate to any one or more persons, for such period and on such conditions as it may determine, the exercise of any of its powers or discretions arising under the Plan.
- (b) Except as otherwise expressly provided in this Plan, the Board has absolute and unfettered discretion to act, or refrain from acting, under or in connection with the Plan or any Plan Share under the Plan and in the exercise of any power or discretion under the Plan.

## 12.3 Dispute or disagreement

In the event of any dispute or disagreement as to the interpretation of the Plan, or as to any question or right arising from or related to the Plan or to any Plan Share issued under it, the decision of the Board is final and binding.

## 12.4 ASIC relief

- (a) Notwithstanding any other provisions of the Plan, every covenant or other provision set out in an exemption or modification granted from time to time by ASIC in respect of the Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan.
- (b) To the extent that any covenant or other provision deemed by this Rule to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision shall prevail.

## 12.5 Non-residents of Australia

- (a) The Board may adopt additional rules of the Plan applicable in any jurisdiction outside Australia under which rights offered under the Plan may be subject to

additional or modified terms, having regard to any securities, exchange control or taxation laws or regulations or similar factors which may apply to the Participant or to any Group Company in relation to the rights. Any additional rule must conform to the basic principles of the Plan.

- (b) When a Plan Share is granted under the Plan to a person who is not a resident of Australia, the provisions of the Plan apply subject to such alterations or additions as the Board determines having regard to any securities, exchange control or taxation laws or regulation or similar factors which may apply to the Participant or to any Group Company in relation to the Plan Share.

## 12.6 Communication

- (a) Any notice or other communication under or in connection with the Plan may be given by personal delivery or by sending the same by post or email:
  - (i) in the case of a company, to its registered office;
  - (ii) in the case of an individual, to the individual's last notified address; or
  - (iii) where a Participant is a Director or employee of a Group Company, either to the Participant's last known address or to the address of the place of business at which the Participant performs the whole or substantially the whole of the duties of the Participant's office of employment.
- (b) Where a notice or other communication is given by post, it is deemed to have been received 48 hours after posting. Where a notice or other communication is given by email or other electronic transmission, the notice is taken to have been received at the time the electronic transmission is sent.

## 12.7 Attorney

Each Participant:

- (a) irrevocably appoints the Company and any person nominated from time to time by the Company (each an attorney), severally, as the Participant's attorney to complete and execute any documents, including applications for Shares and Share transfers, and to do all acts or things on behalf of and in the name of the Participant which may be convenient or necessary for the purpose of giving effect to the provisions of this Plan;
- (b) covenants that the Participant will ratify and confirm any act or thing done pursuant to this power;
- (c) releases each Group Company and the attorney from any liability whatsoever arising from the exercise of the powers conferred by this Rule; and
- (d) indemnifies and holds harmless each Group Company and the attorney in respect thereof.

## 12.8 Costs and Expenses

The Company will pay all expenses, costs and charges in relation to the establishment, implementation and administration of the Plan, including all costs incurred in or associated with the issue or purchase of Shares for the purposes of the Plan.

#### 12.9 **Adverse Tax**

- (a) Where a Participant may suffer an adverse taxation consequence as a direct result of participating in the Plan that was not apparent to the Participant or the Company at the time the Participant was issued Shares under the Plan, the Board may, in its absolute discretion, agree to compensate the Participant in whole or in part.
- (b) For the avoidance of doubt, a tax liability on a gain arising from the difference between share sale proceeds received by the Participant and the Share Payment for the corresponding number of Shares shall not be considered an adverse taxation consequence.

#### 12.10 **Data protection**

By lodging an Acceptance Form, each Participant consents to the holding and processing of personal data provided by the Participant to any Group Company for all purposes relating to the operation of the Plan. These include, but are not limited to:

- (a) administering and maintaining Participants' records;
- (b) providing information to trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan;
- (c) providing information to future purchasers of the Company or the business in which the Participant works; and
- (d) transferring information about the Participant to a country or territory outside Australia.

#### 12.11 **Error in Allocation**

If any Shares are provided under this Plan in error or by mistake to a person (**Mistaken Recipient**) who is not the intended recipient, the Mistaken Recipient shall have no right or interest, and shall be taken never to have had any right or interest, in those Shares and those Shares will immediately be forfeited.

#### 12.12 **No fiduciary capacity**

The Board may exercise any power or discretion conferred on it by this Plan in the interest or for the benefit of the Company, and in so doing the Board is not required to act in the interests of another person or as requested by another person and will not be under any fiduciary obligation to another person.

#### 12.13 **ASX Listing Rules**

While the Company remains admitted to the ASX, the provisions of the ASX Listing Rules of the ASX will apply to the Plan, and to the extent that the Plan and the ASX Listing Rules are inconsistent, the provisions of the ASX Listing Rules will prevail.

#### 12.14 **Enforcement**

This Plan and any determination of the Board made pursuant to this Plan will be deemed to form a contract between the Company and the Participant.

#### 12.15 **Laws governing Plan**

- (a) This Plan, and any Performance Rights issued under it, are governed by the laws of New South Wales, Australia.
- (b) The Company and the Participants submit to the non-exclusive jurisdiction of the courts of New South Wales.

# SCHEDULE 1 – OFFER DOCUMENT

[insert date]

[Name and address of eligible participant]

Dear [\*]

## HALO TECHNOLOGIES HOLDINGS – INCENTIVE SHARE PLAN

The board of directors of HALO Technologies Holdings Limited ACN 645 531 219 (**Company**) is pleased to make an offer to you of ordinary fully paid shares in the capital of the Company (**Shares**) under its Incentive Share Plan (**Plan**) on the terms of this offer letter (**Offer**). Terms used in this Offer have the same meaning as used in the Plan.

The Company is pleased to advise you of the following.

- (a) This Offer is subject to the terms and conditions of the Plan, a copy of which is attached to this Offer. In the event of a conflict between the Plan and this Offer, the Rules in the Plan will prevail.
- (b) The Company is willing to offer you the following number of Shares (**Plan Shares**):

[insert number of Shares or formula for calculating number of Shares eg 'that number of Shares determined by dividing \$[insert] by the issue price of the Shares.']

- (c) The issue price per Plan Share (**Issue Price**) will equal:

- (i) Before listing on the ASX - the Fair Market Value; and
- (ii) After listing on the ASX:

[[nil/\$insert]/the volume weighted average price (VWAP) at which the Company's Shares were traded on the ASX over the 5 trading days up to and including the later of:

(A) the trading day on which this Offer is accepted; and

(B) the first trading day after Shareholder approval for the issue of the Plan Shares is obtained (if required).

Based on an Issue Price equal to the 5 trading day VWAP of Shares to the date before this Offer (being \$[insert]), you would be entitled to a maximum of [insert] Plan Shares.]

- (d) The issue of the Plan Shares is subject to the terms of the Plan, including the Company obtaining any necessary Shareholder approvals and you remaining an Eligible Participant at the time the Plan Shares are to be issued.
- (e) You are required to hold the Plan Shares for at least 3 years (or such longer period prescribed by the Company) prior to its disposal unless you become a Leaver at an earlier date.

(f) Subject to the terms of the Plan, the Plan Shares cannot be sold, transferred, assigned, charged or otherwise encumbered until the following Vesting Conditions are satisfied, unless waived by the Board in accordance with the Plan (such period being the **Restriction Period**):

(i) Insert period; and

(ii) Insert period.

If a Vesting Condition in relation to particular Plan Shares is not satisfied, and is not waived by the Board in accordance with the Plan, you will forfeit your right to those Plan Shares. Other than where a Trustee holds the Plan Shares, the Company may buy back and cancel or sell those Plan Shares in accordance with the Share Plan. Where a Trustee holds the Plan Shares, the Trustee will hold those Plan Shares for re-allocation under the Plan to other Participants.

(g) The Company may elect to issue the Plan Shares to the trustee of the Share Plan (**Trustee**) to hold for your benefit until the Plan Shares cease to be subject to any Vesting Conditions or the Board otherwise determines in accordance with the Share Plan, at which time the Plan Shares will be transferred to you [or (at your election) sold with the sale proceeds remitted to you].

(i) If the Company wishes the Trustee to hold your Plan Shares, the terms of the Trust Deed are attached to this Offer. You should read the terms of the Trust Deed carefully to understand what rights you have in relation to the Plan Shares while they are held on your behalf by the Trustee.

(ii) You are entitled to receive any dividends and franking credits which relate to those dividends, or other distributions or entitlements made in respect of Plan Shares held by the Trustee for your benefit under the Share Plan.

(iii) Subject to the Trust Deed, you may direct the Trustee how to exercise the voting rights attaching to your Plan Shares either generally or in respect of a particular resolution. In the absence of such a direction those voting rights shall not be exercised by the Trustee.

(iv) [You must either:

(A) enclose with the completed Acceptance Form a cheque for the amount due for the number of Plan Shares that you (or your Nominee) have accepted; or

(B) at the time the completed Acceptance Form is lodged with the Company, pay the amount due for the number of Plan Shares that you (or your Nominee) have accepted by electronic funds transfer.]

(h) This Offer remains open for acceptance by you until 5pm AEST on [insert date] (**Closing Date**) at which time the Offer will close and lapse.

(i) You may apply for the Shares by filling out Acceptance Form below and returning to the Company Secretary before the Closing Date.



- (j) You may apply for the Shares to be registered in your name, or in a Nominee's name. Examples of acceptable Nominees are set out in the Plan. Please discuss this with the Company Secretary if you have any queries.
- (k) Unless the Plan provides otherwise, the Shares to which you are entitled will be issued to **[you/the Trustee to hold on your behalf]**, as soon as practicable after the exercise date.
- (l) If the issue of Plan Shares would otherwise fall within a Blackout Period, or breach the insider trading or takeover provisions of the Corporations Act, the Company may delay the issue of the Plan Shares until 10 Business Days following the expiration, as applicable, of the Blackout Period or the day on which the insider trading or takeover provisions no longer prevent the issue of the Plan Shares.
- (m) A completed Acceptance Form (and cheque, if applicable) should be returned to the Company at:
- [insert address]**
- [Cheques must be in Australian currency, drawn on an Australian bank, made payable to [\*1] – [insert account name] and crossed non negotiable.]**
- Electronic funds transfers must be to the Company's account as set out below:**
- |                        |                  |
|------------------------|------------------|
| <b>Bank:</b>           | <b>[insert]</b>  |
| <b>Account Name:</b>   | <b>[insert]</b>  |
| <b>BSB:</b>            | <b>[insert]</b>  |
| <b>Account Number:</b> | <b>[insert]]</b> |
- (n) If required, the Company will apply for the Shares to be quoted on the ASX in accordance with the ASX Listing Rules within 10 Business Days of the later of the date the Shares are issued and the date any Restriction Period that applies to the Shares ends.
- (o) The Shares may be subject to restrictions on disposal in accordance with the Plan in which case the Company will impose a holding lock with the Company's share registry and will not be able to be traded until the holding lock is lifted by the Company.
- (p) The Company will issue, where required to enable Shares issued to be freely tradeable on the ASX (subject to any Restriction Period), a cleansing statement under Section 708A(5) of the Corporations Act at the time Shares are issued. Where a cleansing statement is required, but cannot be issued, the Company will have a prospectus available in relation to the Shares which complies with the requirements of the Corporations Act.
- (q) The Company undertakes that, during the period commencing on the date of this Offer and expiring on the Closing Date, it will, within a reasonable period of you so requesting, make available to you the current market price of the Company's Shares and, where the Issue Price is determined by a formula, the issue price in Australian Dollars of the Plan Shares applying that formula on the date of your request. The Company will provide this information to you, unless you agree otherwise, by sending this information to you at the address to which this Offer is sent.

- (r) The current market price of the Company's Shares on the ASX can be found on the Company's ASX website at [insert].

You should be aware that the business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company, including Shares offered under the Plan.

Any advice given by the Company in relation to the Shares, the Plan and any Trust does not take into account your objectives, financial situation and needs (including financial or taxation issues).

This Offer and all other documents provided to you at the time of this Offer contain general advice only and you should consider obtaining your own financial product advice from an independent person who is licensed by the Australian Securities and Investments Commission to give such advice.

You are advised to seek independent professional advice regarding the Australian tax consequences of the issue of Shares and the disposing of any Shares that are issued under the Plan according to your own particular circumstances.

Please confirm your (or your Nominee's) acceptance of the Offer set out in this letter by completing the Acceptance Form below and returning it to the Company **by no later than** [insert].

An Acceptance Form received after the Closing Date may be refused.

Yours faithfully

[Insert Director's Name]

**Halo Technologies Holdings Limited**

## SCHEDULE 2 –

### HALO TECHNOLOGIES HOLDINGS LIMITED INCENTIVE SHARE PLAN - ACCEPTANCE FORM

Under the Offer, to which this Acceptance Form is attached, HALO Technologies Holdings Limited ACN 645 531 219 (**Company**) has invited you (or your Nominee) under its incentive share plan (**Share Plan**) to apply for the issue of:

- (a) up to [insert] fully paid ordinary shares in the Company (**Plan Share**);
- (b) at an issue price (**Issue Price**) of [insert] per Plan Share.

An Applicant should read the Share Plan, the Offer and the Trust Deed (if applicable) in entirety before completing this Acceptance Form.

Please complete the details below to apply for Plan Shares at the Issue Price.

Name:

---

Address:

---

Ph:

---

Email:

---

hereby applies for \_\_\_\_\_ Plan Shares at an Issue Price per Plan Share to be calculated as set out in the terms of the Offer, this Acceptance Form and the Share Plan.

Tax file number(s) or exemption: \_\_\_\_\_ CHESS HIN (where applicable): \_\_\_\_\_

#### Acknowledgement

In applying for the Plan Shares, the Applicant acknowledges and agrees:

- (a) to be entered on the register of members of the Company as the holder of the Plan Shares applied for, or for the Trustee to be registered as the legal holder to hold on trust for the Applicant;
- (b) to be bound by the terms of the constitution of HALO technologies Holdings Limited;
- (c) to be bound by the terms and conditions of the Share Plan and the Trust Deed (if applicable);
- (d) to be bound by the terms and conditions of the Offer;
- (e) a copy of the full terms of the Share Plan (and Trust Deed, if applicable) has been provided to me;
- (f) that, by completing this Acceptance Form, I will be taken to have agreed to appoint the Company Secretary as my attorney to complete and execute any documents and do all acts

on my behalf which may be convenient or necessary for the purpose of giving effect to the provisions of the Share Plan;

- (g) that I have been offered the opportunity to obtain share price information in relation to Shares in the Company; and
- (h) any tax liability arising from the Company accepting my acceptance of Plan Shares under the Share Plan is my responsibility and not that of the Company;
- (i) that a prospectus has not been prepared or lodged by the Company in respect of the offer of the Plan Shares to me;
- (j) that an investment in the Company is speculative and there is no guarantee that there will be any return on Plan Shares (whether by way of dividends or return of capital or any other manner whatever);
- (k) that secondary trading in Plan Shares may be limited and there is no guarantee that there will be any market (whether official or unofficial) for trading of the Company's Shares generally; and
- (l) that this application is irrevocable and, except for the terms provided above, is unconditional.

*Where an individual*

**SIGNED by [INSERT NAME OF INDIVIDUAL]**  
in the presence of:

\_\_\_\_\_  
Signature of witness

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of witness

*Where a company*

**EXECUTED by [INSERT COMPANY NAME]**  
**ACN [INSERT ACN]**  
in accordance with section 127 of the  
*Corporations Act 2001* (Cth):

\_\_\_\_\_  
Signature of director

\_\_\_\_\_  
Signature of director/company secretary\*

\_\_\_\_\_  
Name of director

\_\_\_\_\_  
Name of director/company secretary\*

\*please delete as applicable

**HALO TECHNOLOGIES HOLDINGS LIMITED**

**PERFORMANCE RIGHTS PLAN**

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**HALO TECHNOLOGIES HOLDINGS LIMITED**  
**ACN 645 531 219**

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**INCENTIVE PERFORMANCE RIGHTS PLAN**

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The Directors are empowered to operate the HALO Technologies Holdings Limited Incentive Performance Rights Plan (the **Plan**) on the following terms and in accordance with the ASX Listing Rules (where applicable).

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**1. DEFINITIONS AND INTERPRETATION**

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**1.1 Definitions**

In this Plan:

**Acceptance Form** means the Acceptance Form by which an Eligible Participant or Nominee (as applicable) accepts an Offer for Shares, in substantially the same form as set out in **Schedule 2** or as otherwise approved by the Company from time to time.

**ASIC** means the Australian Securities and Investments Commission.

**Associated Body Corporate** means a subsidiary (as defined in section 46 of the Corporations Act) of the Company.

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange which it administers, as the context requires.

**ASX Listing Rules** means the official Listing Rules of the ASX as they apply to the Company from time to time.

**Blackout Period** means a period when the Participant is prohibited from trading in the Company's securities under the Company's written policies.

**Board** means the board of Directors of the Company or committee appointed by the Board for the purposes of the Plan.

**Business Day** means a day on which banks are open for general banking business in New South Wales, excluding Saturdays, Sundays and public holidays in New South Wales.

**Cash payment** means, except as otherwise provided for in an Offer, the cash amount equal to the market value of a single Share as at the date the Performance Right is exercised, by the Board (acting reasonably) in accordance with the terms of any applicable Offer.

**Change of Control** means:

- (a) a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Company's issued Shares;
- (b) a court approves, under Section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or



- (c) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

**Class Order** means ASIC Class Order 14/1000 as amended or replaced.

**Closing Date** means the date on which an Offer is stated to close.

**Company** means HALO Technologies Holdings Limited ACN 645 531 219 of Level 4 / 10 Barrack Street, Sydney, NSW 2000.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means any person occupying the position of a director of any Group Company (including an alternate director or managing director appointed in accordance with the relevant constitution).

**Eligible Participant means:**

- (a) a Director (whether executive or non-executive) of any Group Company;
- (b) a full or part time employee of any Group Company;
- (c) a casual employee or contractor of a Group Company to the extent permitted by the Class Order;
- (d) a consultant to the Company (not being a professional adviser to the Company) who serves an executive function within the Company; or
- (e) a prospective participant, being a person to whom the Offer is made but who can only accept the Offer if an arrangement has been entered into that will result in the person becoming an Eligible Participant under Rules (a) or (b) above,

who is declared by the Board to be eligible to receive grants of Performance Rights under the Plan.

**Expiry Date** means, in respect of a Performance Right, the date on which the Performance Right lapses (if it has not already otherwise lapsed in accordance with the Plan), as set out in an Offer, which must be a date no more than seven years after the date of grant.

**Grant Date** means, in relation to a Performance Right, the date on which the Performance Right is granted.

**Group** means the Company and each other Group Company.

**Group Company** means the Company or any Subsidiary or Related Body Corporate.

**Holding Lock** has the meaning given to that term in the ASX Listing Rules.

**Marketable Parcel** has the meaning given to that term in the ASX Listing Rules.

**Nominee** means a nominee of an Eligible Participant that is one of the following:

- (a) an immediate family member of the Eligible Participant or (subject to Board approval) a trustee of a superannuation fund whose beneficiaries are limited to the Eligible Participant and/or the Eligible Participant's immediate family members;
- (b) a company whose members comprise no persons other than the Eligible Participant or immediate family members of the participant; or
- (c) a corporate trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*) where the Eligible Participant is a director of the trustee.

**Offer** means an offer made to an Eligible Participant to be granted one or more Performance Rights under the Plan as set out in an Offer Document.

**Offer Document** means an offer document in substantially the same form as set out in **Schedule 1** to the Rules or such other form as approved by the Board from time to time consistent with the Corporations Act and the Class Order.

**Participant** means an Eligible Participant to whom Performance Rights have been granted under the Plan, or if Rule 4.4 applies, a Nominee of the Eligible Participant to whom Performance Rights have been granted under the Plan.

**Performance Right** means (at the Board's discretion) an entitlement to a Share or a Cash Payment, subject to satisfaction of any Vesting Conditions, and the corresponding obligation of the Company provide the Share or the Cash Payment (at the Board's discretion), in the manner set out in this Plan and any Offer.

**Plan** means the plan as set out in this document, subject to any amendments or additions made under Rule 13.

**Redundancy** means termination of the employment, office or engagement of a Relevant Person due to economic, technological, structural or other organisational change where:

- (a) no Group Company requires the duties and responsibilities carried out by the Relevant Person to be carried out by anyone; or
- (b) no Group Company requires the position held by the Relevant Person to be held by anyone.

**Related Body Corporate** has the meaning ascribed to it in the Corporations Act.

**Relevant Interest** has the meaning given in the Corporations Act.

**Relevant Person** means:

- (a) in respect of an Eligible Participant, that person; and
- (b) in respect of a Nominee of an Eligible Participant, that Eligible Participant.

**Restriction Period** means the period during which a Share issued on the exercise of a Performance Right cannot be transferred or otherwise dealt with in accordance with Rule 9.

**Restricted Shares** means Shares issued on the exercise of a Performance Right granted under the Plan that the Board has determined are subject to a Restriction Period.

**Retirement** means where a Relevant Person intends to permanently cease all Services to a Group Company in circumstances where the Relevant Person provides, in good faith, a written statutory declaration to the Board to that effect.

**Rules** mean the rules of the Plan as set out in this document.

**Services** means services rendered to the Company by a Participant either personally or via a Nominee.

**Severe Financial Hardship** means the Relevant Person is unable to provide themselves, their family or other dependents with basic necessities such as food, accommodation and clothing, including as a result of family tragedy, financial misfortune, serious illness, impacts of natural disaster and other serious or difficult circumstances.

**Share** means an ordinary fully paid share in the capital of the Company.

**Shareholder** means a holder of Shares.

**Special Circumstances** means:

- (a) a Relevant Person ceasing to be an Eligible Participant due to:
  - (i) death or Total or Permanent Disability of a Relevant Person; or
  - (ii) Retirement or Redundancy of a Relevant Person;
- (b) any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the relevant Participant which circumstances has resulted in or will result in the termination of a Relevant Person's employment or engagement.

**Tax Act** means the *Income Tax Assessment Act 1997* (Cth).

**Takeover Bid** means a takeover bid (as defined in the Corporations Act) to acquire Shares.

**Total and Permanent Disability** means that the Relevant Person has, in the opinion of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Relevant Person unlikely ever to engage in any occupation with the Company or its Related Bodies Corporate for which he or she is reasonably qualified by education, training or experience.

**Vesting Condition** means, in respect of a Performance Right, any condition set out in an Offer that must be satisfied (unless waived in accordance with this Plan) before that Performance Right can be exercised or any other restriction on exercise of that Performance Rights specified in the Offer or in this Plan.

**Voting Power** has the meaning given to that term in Section 9 of the Corporations Act.

## 1.2 Interpretation

In this Plan unless the context otherwise requires:

- (a) headings are for convenience only and do not affect the interpretation of this Plan;

- (b) any reference in the Plan to any enactment of the ASX Listing Rules includes a reference to that enactment or those ASX Listing Rules as from time to time amended, consolidated, re-enacted or replaced;
- (c) the singular includes the plural and vice versa;
- (d) any words denoting one gender include the other gender;
- (e) where any word or phrase is given a definite meaning in this Plan, any part of speech or other grammatical form of that word or phrase has a corresponding meaning;
- (f) a reference to:
  - (i) a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate;
  - (ii) a document includes all amendments or supplements to that document;
  - (iii) a Rule is a reference to a Rule of this Plan;
  - (iv) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, Rule of common law or equity and is a reference to that law as amended, consolidated or replaced;
  - (v) an agreement other than this Plan includes an undertaking, or legally enforceable arrangement or understanding, whether or not in writing; and
  - (vi) a monetary amount is in Australian dollars; and
- (g) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day.
- (h) The obligations and liabilities imposed and the rights and benefits conferred on persons under this Plan will be binding upon and enure in favour of the respective persons and each of their respective successors in title, legal personal representatives and permitted assigns.

## 2. PURPOSE

---

The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants;
- (b) link the reward of Eligible Participants to performance and the creation of Shareholder value;
- (c) align the interests of Eligible Participants more closely with the interests of Shareholders by providing an opportunity for Eligible Participants to receive Shares or be paid a Cash Payment;

- (d) provide Eligible Participants with the opportunity to share in any future growth in the value of the Company; and
- (e) provide greater incentive for Eligible Participants to focus on the Company's longer term goals.

### **3. COMMENCEMENT AND TERM**

---

- (a) This Plan will commence on the date determined by resolution of the Board and will continue until terminated by the Board.
- (b) The Board may terminate the Plan at any time by resolution. Termination shall not affect the rights or obligations of a Participant or the Company which have arisen under the Plan before the date of termination and the provisions of the Plan relating to a Participant's Performance Rights shall survive termination of the Plan until fully satisfied and discharged.

### **4. OFFER OF PERFORMANCE RIGHTS**

---

#### **4.1 Making of Offers**

- (a) The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an Offer) to apply for Performance Rights, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines (**Offer**).
- (b) In exercising its discretion to make an Offer, the Board may have regard to the following (without limitation):
  - (i) the Eligible Participant's length of service with the Group;
  - (ii) the contribution made by the Eligible Participant to the Group;
  - (iii) the potential contribution of the Eligible Participant to the Group; or
  - (iv) any other matter the Board considers relevant.
- (c) For the avoidance of doubt, nothing in this document obliges the Company at any time to make an Offer, or further Offer, to any Eligible Participant.
- (d) In the event of conflict or inconsistency between the terms set out in the Plan and the additional terms and conditions in the Offer to any Eligible Participant, the terms set out in the Plan will prevail.

#### **4.2 Offer Document**

An Offer must be made using an Offer Document.

#### **4.3 Personal Offer**

Subject to Rule 4.4, an Offer is personal and is not assignable.

#### 4.4 Nominee

- (a) Upon receipt of an Offer, an Eligible Participant may, by notice in writing to the Board, nominate a Nominee in whose favour the Eligible Participant wishes to renounce the Offer.
- (b) The Board may, in its discretion, resolve not to allow a renunciation of an Offer in favour of a Nominee without giving any reason for that decision.

#### 4.5 Minimum Contents of Offer Document

An Offer Document will advise the Eligible Participant of the following minimum information regarding the Performance Rights offered:

- (a) the maximum number of Performance Rights for which the Eligible Participant may apply, or the formula for determining the number of Performance Rights that may be applied for;
- (b) the maximum number of Shares (if any) that the Participant is entitled to be issued on the exercise of each Performance Right or the formula for determining the maximum number of Shares;
- (c) the Cash Payment (if any) that the Participant may be entitled to on the exercise of each Performance Right or the formula for determining the Cash Payment;
- (d) any applicable Vesting Conditions;
- (e) any Restriction. Board has resolved to apply to Shares issued on exercise of the Performance Rights;
- (f) when Performance Rights will expire (**Expiry Date**);
- (g) the date by which an Offer must be accepted (**Closing Date**); and
- (h) any other information required by law or the ASX Listing Rules or considered by the Board to be relevant to the Performance Rights or the Shares to be issued on the exercise of the Performance Rights.

#### 4.6 Number of Performance Rights

- (a) Subject to Rule 4.11, the number of Performance Rights to be offered to an Eligible Participant from time to time will be determined by the Board in its discretion and in accordance with applicable law and the ASX Listing Rules.
- (b) Subject to the terms of the Plan, each Performance Right is a right:
  - (i) to be issued with or transferred a single Share, free of encumbrances; or
  - (ii) to be paid a Cash Payment,as elected by the board in its absolute discretion.

#### 4.7 No Consideration

Performance Rights granted under the Plan will be issued for nil cash consideration.

#### **4.8 Vesting Conditions**

A Performance Right may be made subject to a Vesting Condition(s) as determined by the Board in its discretion and as specified in the Offer for the Performance Rights.

#### **4.9 Share Restriction Period**

A Share issued under this Plan may be subject to a Restriction Period as determined by the Board in accordance with Rule 9 of this Plan.

#### **4.10 Deferred Taxation**

Subdivision 83A-C of the Tax Act (including Section 83A-105) applies to the Plan except to the extent an Offer provides otherwise.

#### **4.11 Quotation of Performance Rights**

Performance Rights will not be quoted on the ASX except to the extent provided for by this plan or unless the Offer provides otherwise.

#### **4.12 Limits on Offers**

The Company must have reasonable grounds to believe, when making an Offer, that the number of Shares to be received on exercise of Performance Rights offered under an Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.

### **5. ACCEPTANCE OF OFFER**

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#### **5.1 Acceptance of Offer**

An Eligible Participant (or Nominee) may accept an Offer in whole or in part, by signing and returning an Acceptance Form to the Company no later than the Closing Date.

#### **5.2 Board's right to reject**

- (a) The Board may accept or reject any Acceptance Form in its absolute discretion.
- (b) Before accepting or rejecting the Acceptance Form, the Board may require the Eligible Participant to provide any information that the Board requests concerning the person's entitlement to lodge an Acceptance Form under this Plan.
- (c) The Board must promptly notify an Eligible Participant if an Acceptance Form has been rejected, in whole or in part.

#### **5.3 Participant Agrees to be Bound**

- (a) An Eligible Participant, by submitting an Acceptance Form, agrees to be bound by the terms and conditions of the Offer and the Acceptance Form, the Plan and the Constitution of the Company, as amended from time to time.
- (b) If the Board resolves to allow a renunciation of an Offer in favour of a Nominee, the Eligible Participant will procure that the permitted Nominee accepts the Offer made to that Eligible Participant and that both the Eligible Participant and the Nominee agree to be bound by the terms and conditions of the Offer and the Acceptance Form, the Plan and the Constitution of the Company, as amended from time to time.

#### 5.4 Lapse of Offer

To the extent an Offer is not accepted in accordance with Rule 5.1, the Offer will lapse on the day following the Closing Date, unless the Board determines otherwise.

### 6. GRANT OF PERFORMANCE RIGHTS

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#### 6.1 Grant of Performance Rights

- (a) Once the Board has received and accepted a duly signed and completed Acceptance Form for Performance Rights, the Company must, provided the Eligible Participant to whom the Offer was made remains an Eligible Participant, promptly grant Performance Rights to the applicant, upon the terms set out in the Offer, the Acceptance Form and the Plan and upon such additional terms and conditions as the Board determines.
- (b) The Company will, within a reasonable period after the Grant Date of the Performance Rights, issue the applicant with a certificate evidencing the grant of the Performance Rights.

#### 6.2 Approvals

The Company's obligation to issue Performance Rights is conditional on:

- (a) the grant of the Performance Rights complying with all applicable legislation and the ASX Listing Rules; and
- (b) all necessary approvals required under any applicable legislation and the ASX Listing Rules being obtained prior to the issue of the Performance Rights.

#### 6.3 Restrictions on Transfers, dealings and hedging

- (a) Subject to the ASX Listing Rules, a Performance Right granted under the Plan is only transferable, assignable or able to be otherwise disposed or encumbered:
  - (i) in Special Circumstances with the consent of the Board (which may be withheld in its absolute discretion); or
  - (ii) by force of law upon death, to the Participant's legal personal representative or upon bankruptcy, to the participant's trustee in bankruptcy.



- (b) A Participant must not enter into any arrangement for the purpose of hedging, or otherwise affecting their economic exposure to, their Performance Rights.
- (c) Where the Participant purports to transfer, assign, mortgage, charge or otherwise dispose or encumber a Performance Right, other than in accordance with Rule 6.3(a), or hedge a Performance Right contrary to Rule 6.3(b), the Performance Right immediately lapses.

## **7. VESTING AND EXERCISE OF PERFORMANCE RIGHTS**

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### **7.1 Vesting Conditions**

- (a) Subject to Rules 7.2 and 7.3, a Performance Right granted under the Plan will not vest or be exercisable unless the Vesting Conditions (if any) attaching to that Performance Right been satisfied and the Board has notified the Participant of that fact.
- (b) The Board must notify a Participant in writing within 10 Business Days of becoming aware that any Vesting Condition attaching to a Performance Right has been satisfied.

### **7.2 Vesting Condition Exceptions**

Notwithstanding Rule 7.1, the Board may in its absolute discretion, by written notice to a Participant, resolve to waive any of the Vesting Conditions applying to Performance Rights due to:

- (a) Special Circumstances arising in relation to a Relevant Person in respect of those Performance Rights;
- (b) a Change of Control occurring; or
- (c) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company,

in which case Rule 7.3 applies.

### **7.3 Exercise on Vesting**

A Participant (or their personal legal representative where applicable) may subject to the terms of any Offer, exercise any vested Performance Right at any time after the Board notifies that the Performance Right has vested and before it lapses, by providing the Company with:

- (a) the certificate for the Performance Rights or, if the certificate for the Performance Rights has been lost, mutilated or destroyed, a declaration to that effect, accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company as a consequence of it relying on the declaration at the certificate has been lost, mutilated or destroyed; and
- (b) a notice in the form of Schedule 3 addressed to the Company and signed by the Participant stating that the Participant exercises the Performance Rights and specifying the number of Performance Rights which are exercised.

#### 7.4 One or Several Parcels

Performance Rights may be exercised in one or more parcels of any size, provided that the number of Shares issued upon the exercise of the number of Performance Rights in any parcel, is not less than a Marketable Parcel.

### 8. ISSUE OF SHARES

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#### 8.1 Cash Payment or Shares

Subject to the Corporations act, the ASX Listing Rules, this Plan and the terms of any Offer, within 10 Business Days of receipt of a valid notice of exercise for Performance Rights, the Board must, in its absolute discretion, either:

- (a) pay the Participant or his personal representatives (as the case may be) a Cash Payment for each Performance Right exercised; or
- (b) issue or transfer one (1) Share, free of encumbrances, to the Participant or his personal representative (as the case may be) for each Performance Right exercised, and dispatch a share certificate or enter the shares in the Participant's uncertificated holding, as the case may be, upon the terms set out in the Offer, the Acceptance Form and the Plan and upon such additional terms and conditions as the Board determines.

#### 8.2 Blackout Period, Takeover Restrictions and Insider Trading

If the issue of Shares on exercise of a Performance Right would otherwise fall within the Blackout Period, or breach the insider trading or takeover provisions of the Corporations Act, the Company may delay the issue of the shares until 10 Business Days following the expiration, as applicable, of the Blackout Period or the day on which the insider trading or takeover provisions no longer prevent the issue of the Shares.

#### 8.3 Withholding

If a Participant is liable for tax, duties or other amounts on the vesting or exercise of their Performance Rights and the Company is liable to make a payment to the appropriate authorities on account of that Liability, unless the Participant and the Company agree otherwise, the Company must either deduct from the Cash Payment due or issue and sell such number of Shares which would otherwise be issued and allocated to the Participant so that the net proceeds of sale equal the payment the Company is required to pay to the appropriate authorities.

#### 8.4 Rights attaching to Shares

A Participant will, from and including the issue date of Shares under this Plan, be the legal owner of the Shares so issued and will be entitled to all dividends and to exercise all voting rights attaching to the Shares.

#### 8.5 Share Ranking

Shares issued under the Plan will rank equally in all respects with the Shares of the same class for the time being on issue except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue.

## 8.6 Quotation on ASX

- (a) if Shares of the same class as those issued under the Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those shares to be quoted on ASX within the later of 10 Business days after:
  - (i) the date the Shares are issued; and
  - (ii) the date any Restriction Period that applies to the Shares, ends.
- (b) The Company will not apply for quotation of any Performance Rights on the ASX.

## 8.7 Sale of Shares

- (a) Subject to Rules 8.7(c) and 9 (Restriction on dealing in Shares), and the Company's constitution, there will be no transfer restrictions on Shares issued under the Plan unless the sale, transfer or disposal by the Participant of the Shares issued to them on exercise of the Performance Rights (or any interest in them) would require the preparation of a disclosure document (as that term is defined in the Corporations Act).
- (b) If a disclosure document is required, the Participant agrees to enter into such arrangements with the Company if the Board considers appropriate to prevent the sale, transfer or disposal of the relevant Shares in a manner that would require a disclosure document to be prepared.
- (c) The Company will issue, where required to enable shares issued on exercise of Performance Rights to be freely tradable on the ASX (subject to any Restriction Period) a cleansing statement under Section 708A(5) of the Corporations Act at the time Shares are issued. Where cleansing statement is required, but cannot be issued, the Company will lodge a prospectus in relation to the Shares with ASIC which complies with the requirements of the Corporations Act and allows the Shares to be freely tradable on the ASX (subject to any Restriction Period).
- (d) A Participant must not sell, transfer or dispose of any Shares issued to them on exercise of the Performance Rights (or any interest in them) in contravention of the Corporations Act, including insider trading and on-sale provisions.

## 9. RESTRICTION ON DEALING IN SHARES

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### 9.1 Restriction Period

- (a) Subject to Rule 9.4, the Board may, in its discretion, determine at any time up until the exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Performance Rights (**Restricted Shares**), up to a maximum of seven (7) years from the Grant Date of the Performance Rights (**Restriction Period**).

### 9.2 Waiver of restriction Period

Subject to Rule 9.4, the Board may in its sole discretion, having regard to the circumstances at the time, waive a Restriction Period determined pursuant to rule 9.1.

### 9.3 **No disposal of Restricted Shares**

A participant must not dispose of or otherwise deal with any Shares issued to them under the Plan while they are Restricted Shares.

### 9.4 **ASX Imposed Escrow**

The Company must impose a Restriction Period Shares to the extent necessary to comply with any escrow restrictions imposed by the ASX Listing Rules.

### 9.5 **Enforcement of Restriction Period**

- (a) The company may implement any procedure it considers appropriate to restrict a Participant from dealing with any Shares for as long as those Shares are subject to a Restriction Period.
- (b) The Participant agrees to:
  - (i) execute an ASX restriction agreement in relation to the Shares reflecting any Restriction Period applying to the Restricted Shares under the Plan;
  - (ii) the Company lodging the share certificates for Shares (where issuer sponsored) with a bank or recognise trustee to hold until the expiry of any Restriction Period applying to the Shares or until the Shares are otherwise released from restrictions (at which time the Company shall arrange for the share certificates to be provided to the Participant); and
  - (iii) the application of a Holding Lock over Shares until any Restriction Period applying to the Shares under the Plan has expired (at which time the Company shall arrange for the Holding Lock to be removed).

### 9.6 **Lapse of Restriction Period**

When a Share ceases to be a Restricted Share, all restrictions on disposing of or otherwise dealing or purporting to deal with that Share provided in or under these Rules will cease.

## 10. **LAPSE OF PERFORMANCE RIGHTS**

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### 10.1 **Lapsing of Performance Right**

A Performance Rights will lapse upon the earlier to occur of:

- (a) an unauthorised dealing in, or hedging of, the Performance Right occurring, as governed by Rule 6.3(c);
- (b) a Vesting Condition in relation to the Performance Right is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition under Rule 9.2 (Vesting Condition Exceptions) or Rule 1.1(a)(ii) applies;
- (c) in respect of unvested Performance rights only, a Relevant Person ceases to be an Eligible Participant, unless the Board:
  - (i) exercises its discretion to vest the Performance Right Rule 9.2; or

- (ii) in its absolute discretion, resolves to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
- (d) in respect of vested Performance Rights only, a Relevant Person ceases to be an Eligible Participant and the Performance Right granted in respect of that Relevant Person is not exercised within one (1) month (or such later date as the Board determines) of the date the Relevant Person ceases to be an Eligible Participant;
- (e) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant under Rule 10.2 (Fraud and Related Matters); or
- (f) the Company undergoes a Change in Control or a winding up resolution or order is made, and the Board does not exercise its discretion to vest the Performance Right in accordance with Rule 9.2 (Vesting Condition Exceptions); and
- (g) the Expiry Date of the Performance Right.

## 10.2 **Fraud and Related Matters**

Notwithstanding any other provision of this Plan, where a Relevant Person:

- (a) in the opinion of the Board, acts fraudulently or dishonestly, is grossly negligent, demonstrates serious and wilful misconduct, or causes a material adverse effect on the reputation of the Company;
- (b) has his or her employment or office terminated due to serious or wilful misconduct or otherwise for cause without notice;
- (c) becomes ineligible to hold his or her office due to Part 2D.6 of the Corporations Act; or
- (d) deals with or disposes of Performance Rights or Restricted Shares contrary to the provisions of this Plan or any applicable Offer,

the Board may, by written notice to the Participant, deem any unvested, or vested but unexercised, Performance Rights of the Participant to have lapsed or acquire the Participant to pay back any Cash Payment paid to the Participant, which is deemed to be a debt due and payable by the Participant on demand or acquire the Participant to do all such things necessary to cancel any Shares issued on exercise of the Participant's Performance Rights.

## 11. **EXCHANGE DUE TO CHANGE OF CONTROL**

If a company (**Acquiring Company**) obtains control of the Company as a result of a Change of Control and both the Company and the Acquiring Company agree, a Participant may in respect of any vested Performance Rights that are exercised, be provided with shares of the Acquiring Company or its parent in lieu of Shares, on substantially the same terms and subject to substantially the same conditions as the Shares, but with appropriate adjustments to the number and kind of shares subject to the Performance Rights.

## **12. PARTICIPATION RIGHTS AND REORGANISATIONS**

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### **12.1 Participation Rights**

- (a) There are no participating rights to entitlements inherent in the Performance Rights and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right.
- (b) A Performance Right does not confer the right to change in the number of underlying Shares over which the Performance Right can be exercised.
- (c) A Participant who is not a Shareholder, is not entitled to:
  - (i) notice of, or to vote or attend at, a meeting of the Shareholders of the Company; or
  - (ii) receive any dividends declared by the Company,unless and until any Performance Right is exercised and the Participant hold shares that provide the right to notice in dividends.

### **12.2 Adjustments for Reorganisation**

If at any time the capital of the Company is reorganised (including consolidation, subdivision, reduction or return), the terms of the Performance Rights will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

### **12.3 Notice of adjustments**

Whenever the number of Shares to be issued on the exercise of a Performance Right is adjusted pursuant to these Rules, the Company will give notice of the adjustment to the Participant in ASX together with calculations on which the adjustment is based.

### **12.4 Cumulative adjustments**

Effect will be given to Rule 12.3 in such manner that the effect of the successive applications of them is cumulative, the intention being that the adjustments they progressively effect, will reflect previous adjustments.

## **13. OVERRIDING RESTRICTIONS ON ISSUE**

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Notwithstanding the Rules or the terms of any Performance Right, no Performance Right may be offered, granted or exercised and no Share may be issued under the Plan if to do so:

- (a) would contravene the Corporations Act, the ASX Listing Rules or any other applicable law; or
- (b) would contravene the local laws or customs of an Eligible Participant's country of residence or in the opinion of the Board would require actions to comply with those local laws or customs which are impractical.

## **14. AMENDMENTS**

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### **14.1 Power to amend Plan**

Subject to Rule 14.2, the Corporations Act and the ASX Listing Rules:

- (a) the Board may, at any time, by resolution amend or add to all or any of the provisions of the Plan, an Offer or the terms or conditions of any Performance Rights granted under the Plan; and
- (b) any amendment may be given such retrospective effect as is specified in the written instrument or resolution by which the amendment is made.

### **14.2 Adjustment to Performance Right Terms**

No adjustment or variation of the terms of a Performance Right will be made without the consent of the Participant who holds the relevant Performance Right if such adjustment or variation would have a materially prejudicial effect upon the Participant (in respect of his or her outstanding Performance Rights), other than an adjustment or variation introduced primarily:

- (a) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legislation governing or regulating the maintenance or operation of the Plan or like plans;
- (b) to correct any manifest error or mistake;
- (c) to enable a member of the Group to comply with the Corporations Act, the ASX Listing Rules, applicable foreign law, or a requirement, policy or practice of the ASIC or other foreign or Australian regulatory body; or
- (d) to take into consideration possible adverse taxation implications in respect of the Plan, including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation.

### **14.3 Notice of amendment**

As soon as reasonably practicable after making any amendment under Rule 14, the Board will give notice in writing of that amendment to any Participant affected by the amendment.

## **15. TRUST**

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- (a) The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Performance Rights, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust.
- (b) The trustee will hold the Shares as trustee for and on behalf of a Participant is beneficial owner upon the terms of the trust.

- (c) The Board may at any time amend all or any of the provisions of this Plan to effect the establishment of a trust and the appointment of a trustee as detailed in this Rule.

## **16. MISCELLANEOUS**

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### **16.1 Rights and obligations of Participant**

- (a) The rights and obligations of an Eligible Participant under the terms of their office, employment or contract with a Group Company are not affected by their participating in the Plan. This Plan will not form part of, and are not incorporated into, any contract of any Eligible Participant (whether or not they are an employee of a Group Company).
- (b) No Participant will have any rights to compensation or damages in consequence of:
- (i) the termination, for any reason, of the office, employment or other contract with a Group Company of the Participant (or, where the Participant is a Nominee of the Eligible Participant, that Eligible Participant) where those rights arise, or may arise, as a result of the Participant ceasing to have rights under the Plan as a result of such termination; or
  - (ii) the lapsing of Performance Rights in accordance with this Plan.
- (c) Nothing in this Plan, participation in the Plan or the terms of any Performance Right:
- (i) affects the rights of any Group Company to terminate the employment, engagement or office of an Eligible Participant or a Participant (as the case may be);
  - (ii) affects the rights and obligations of any Eligible Participant or Participant under the terms of their employment, engagement or office with any Group Company;
  - (iii) confers any legal or equitable right on an Eligible Participant or a Participant whatsoever to take action against any Group Company in respect of their employment, engagement or office;
  - (iv) confers on an Eligible Participant or a Participant any rights to compensation or damages in consequence of the termination of their employment, engagement or office by any Group Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination; or
  - (v) confers any responsibility or liability on any Group Company or its directors, officers, employees, representatives or agents in respect of any taxation liabilities of the Eligible Participant or Participant.
- (d) If a Vesting Condition attached to a Performance Right requires a Participant to remain an employee of a Group Company, then the Participant will be treated as having ceased to be an employee of a Group Company at such time the Participant's employer ceases to be a Group Company.



- (e) A Participant who is granted an approved leave of absence and who exercises their right to return to work under any applicable award, enterprise agreement, other agreement, statute or regulation will be treated for those purposes as not having ceased to be such an employee.

#### 16.2 **Power of the Board**

- (a) The Plan is administered by the Board which has power to:
- (i) determine appropriate procedures for administration of the Plan consistent with this Plan; and
  - (ii) delegate to any one or more persons, for such period and on such conditions as it may determine, the exercise of any of its powers or discretions arising under the Plan.
- (b) Except as otherwise expressly provided in this Plan, the Board has absolute and unfettered discretion to act, or refrain from acting, under or in connection with the Plan or any Performance Rights under the Plan and in the exercise of any power or discretion under the Plan.

#### 16.3 **Dispute or disagreement**

In the event of any dispute or disagreement as to the interpretation of the Plan, or as to any question or right arising from or related to the Plan or to any Performance Rights issued under it, the decision of the Board is final and binding.

#### 16.4 **ASIC relief**

- (a) Notwithstanding any other provisions of the Plan, every covenant or other provision set out in an exemption or modification granted from time to time by ASIC in respect of the Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan.
- (b) To the extent that any covenant or other provision deemed by this Rule to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision shall prevail.

#### 16.5 **Non-residents of Australia**

- (a) The Board may adopt additional rules of the Plan applicable in any jurisdiction outside Australia under which rights offered under the Plan may be subject to additional or modified terms, having regard to any securities, exchange control or taxation laws or regulations or similar factors which may apply to the Participant or to any Group Company in relation to the rights. Any additional rule must conform to the basic principles of the Plan.
- (b) When a Performance Right is granted under the Plan to a person who is not a resident of Australia, the provisions of the Plan apply subject to such alterations or additions as the Board determines having regard to any securities, exchange control or taxation laws or regulation or similar factors which may apply to the Participant or to any Group Company in relation to the Plan Share.

## 16.6 **Communication**

- (a) Any notice or other communication under or in connection with the Plan may be given by personal delivery or by sending the same by post or email:
  - (i) in the case of a company, to its registered office;
  - (ii) in the case of an individual, to the individual's last notified address; or
  - (iii) where a Participant is a Director or employee of a Group Company, either to the Participant's last known address or to the address of the place of business at which the Participant performs the whole or substantially the whole of the duties of the Participant's office of employment.
- (b) Where a notice or other communication is given by post, it is deemed to have been received 48 hours after posting. Where a notice or other communication is given by email or other electronic transmission, the notice is taken to have been received at the time the electronic transmission is sent.

## 16.7 **Attorney**

Each Participant:

- (a) irrevocably appoints the Company and any person nominated from time to time by the Company (each an attorney), severally, as the Participant's attorney to complete and execute any documents, including applications for Shares and Share transfers, and to do all acts or things on behalf of and in the name of the Participant which may be convenient or necessary for the purpose of giving effect to the provisions of this Plan;
- (b) covenants that the Participant will ratify and confirm any act or thing done pursuant to this power;
- (c) releases each Group Company and the attorney from any liability whatsoever arising from the exercise of the powers conferred by this Rule; and
- (d) indemnifies and holds harmless each Group Company and the attorney in respect thereof.

## 16.8 **Costs and Expenses**

The Company will pay all expenses, costs and charges in relation to the establishment, implementation and administration of the Plan, including all costs incurred in or associated with the issue or purchase of Shares for the purposes of the Plan.

## 16.9 **Adverse Tax**

Where a Participant may suffer an adverse taxation consequence as a direct result of participating in the Plan that was not apparent to the Participant or the Company at the time the Participant was issued Performance Rights under the Plan, the Board may, in its absolute discretion, agree to compensate the Participant in whole or in part.

## 16.10 **Data protection**

By lodging an Acceptance Form, each Participant consents to the holding and processing of personal data provided by the Participant to any Group Company for all purposes relating to the operation of the Plan. These include, but are not limited to:

- (a) administering and maintaining Participants' records;
- (b) providing information to trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan;
- (c) providing information to future purchasers of the Company or the business in which the Participant works; and
- (d) transferring information about the Participant to a country or territory outside Australia.

#### 16.11 **Error in Allocation**

If any Performance Rights are provided under this Plan in error or by mistake to a person (**Mistaken Recipient**) who is not the intended recipient, the Mistaken Recipient shall have no right or interest, and shall be taken never to have had any right or interest, in those Performance Rights and those Performance Rights will immediately lapse.

#### 16.12 **No fiduciary capacity**

The Board may exercise any power or discretion conferred on it by this Plan in the interest or for the benefit of the Company, and in so doing the Board is not required to act in the interests of another person or as requested by another person and will not be under any fiduciary obligation to another person.

#### 16.13 **ASX Listing Rules**

While the Company remains admitted to the ASX, the provisions of the ASX Listing Rules of the ASX will apply to the Plan, and to the extent that the Plan and the ASX Listing Rules are inconsistent, the provisions of the ASX Listing Rules will prevail.

#### 16.14 **Enforcement**

This Plan and any determination of the Board made pursuant to this Plan will be deemed to form a contract between the Company and the Participant.

#### 16.15 **Laws governing Plan**

- (a) This Plan, and any Performance Rights issued under it, are governed by the laws of New South Wales, Australia.
- (b) The Company and the Participants submit to the non-exclusive jurisdiction of the courts of New South Wales.

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## SCHEDULE 1 – PERFORMANCE RIGHTS PLAN – OFFER DOCUMENT

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[insert date]

[Name and address of eligible participant]

Dear [\*]

### HALO TECHNOLOGIES HOLDINGS LIMITED - PERFORMANCE RIGHTS PLAN

The board of directors of Halo Technologies Holdings Limited (ACN 645 531 219) (**Company**) is pleased to make an offer to you of Performance Rights under its Performance Rights Plan (**Plan**) on the terms of this offer letter (**Offer**). Terms used in this Offer have the same meaning as used in the Plan.

The Company is pleased to advise you of the following.

- (a) This Offer is subject to the terms and conditions of the Plan, a copy of which is attached to this Offer. In the event of a conflict between the Plan and this Offer, the Rules in the Plan will prevail.
- (b) The Company is willing to offer you the following Performance Rights under the Plan subject to the following Vesting Conditions:

[insert number of Shares or formula for calculating number of Shares eg 'that number of Shares determined by dividing \$[insert] by the issue price of the Shares.']

- (c) The grant of the Performance Rights is subject to the terms of the Plan, including the Company obtaining any necessary Shareholder approvals and you remaining an Eligible Participant at the time the Performance Rights are to be granted and (subject to a number of exceptions), exercised and either converted into Shares was satisfied by way of a Cash Payment.
- (d) The Performance Rights under the Plan will be granted to you for nil cash consideration.
- (e) The Expiry Date of each Performance Right will be seven years after the date of grant.
- (f) Shares issued on exercise of the Performance Rights will be subject to the following Restriction Periods:
  - (i) [insert];
  - (ii) [insert];
- (g) This offer remains open for acceptance by you until 5 PM (AEST) on [insert date] (**Closing Date**) at which time the Offer will close and lapse.
- (h) You may apply for the Performance Rights by filling out the Acceptance Form below and returning it to the Company Secretary before the Closing Date.
- (i) You may apply for the Performance Rights to be registered in your name, or in a Nominee's name. Examples of acceptable nominees are set out in the Plan. Please discuss this with the Company Secretary if you have any queries.
- (j) Unless the Plan provides otherwise, Shares to which you are entitled on exercise of the Performance Rights will be issued to you as soon as practicable after the exercise date.

- For personal use only
- (k) Performance Rights are only transferable in special circumstances as set out in the Plan.
  - (l) The Company will apply for the Shares to be quoted on the ASX in accordance with the ASX Listing Rules within 10 Business Days of the later of the date the Shares are issued and the date any Restriction Period that applies to the Shares ends. The Shares may be subject to restrictions on disposal in accordance with the Plan in which case the Company will impose a Holding Lock with the Company's share registry and the Shares will not be able to be traded until the Holding lock is lifted by the Company.
  - (m) The Company will issue, where required to enable Shares issued on exercise of Performance rights to be freely tradable on the ASX (subject to any restriction Period), a cleansing statement under section 708A(5) of the Corporations Act at the time the shares are issued. Where a cleansing statement is required, but cannot be issued, the Company will have a prospectus available in relation to the Shares which complies with the requirements of the Corporations Act.
  - (n) The Company undertakes that, during the period commencing on the date of this Offer and expiring on the Closing Date, it will, within a reasonable period of you so requesting, make available to you the current market price of the underlying Shares to which the Performance Rights relate.
  - (o) The current market price of the underlying Shares which the Performance Rights relate can be found on the Company's ASX website at **[insert]**.
  - (p) Subdivision 83A-C of the Tax Act, which enables tax deferral on Shares, **[will/will not]** apply (subject to the conditions in that Act) to the Performance Rights granted to you under this Offer.

You should be aware that the business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company, including Shares offered under the Plan.

Any advice given by the Company in relation to the Performance Rights or underlying Shares offered under the Plan does not take into account your objectives, financial situation and needs (including financial or taxation issues).

This Offer and all other documents provided to you at the time of this Offer contain general advice only and you should consider obtaining your own financial product advice from an independent person who is licensed by the Australian Securities and Investments Commission to give such advice.

You are advised to seek independent professional advice regarding the Australian tax consequences of the issue of Shares and the disposing of any Shares that are issued under the Plan according to your own particular circumstances.

Please confirm your (or your Nominee's) acceptance of the Offer set out in this letter by completing the Acceptance Form below and returning it to the Company **by no later than [insert]**.

An Acceptance Form received after the Closing Date may be refused.

Yours faithfully

[Insert Director's Name]

For and on behalf of

**Halo Technologies Holdings Limited**

For personal use only

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## SCHEDULE 2 - HALO TECHNOLOGIES HOLDINGS LIMITED INCENTIVE SHARE PLAN - ACCEPTANCE FORM

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To: The Directors  
Halo Technologies Holdings Limited (ACN 645 531 219)  
(Company)

I/We \_\_\_\_\_ of  
being registered holder(s) of performance rights as set out on the certificate annexed to this notice, hereby  
exercise \_\_\_\_\_ of the above-mentioned performance rights.

I /We authorise and direct the Company to register me/us as the holders(s) of the Shares to be allotted to  
me/us and I/we agree to accept such Shares subject to the provisions of the Constitution of the Company

Dated \_\_\_\_\_

\_\_\_\_\_  
Signature of Holder(s)

**Note:**

1. *each holder must sign;*
2. *an application by a company must be executed in accordance with section 127 of the Corporations Act 2001 (Cth) and if signing for a company as a sole director/secretary – ensure “sole director/Sec” is written beside the signature.*

**HALO TECHNOLOGIES HOLDINGS LIMITED**

**PERFORMANCE RIGHTS PLAN**

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HALO Technologies Holdings Limited  
ACN 645 531 219

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**INCENTIVE PERFORMANCE RIGHTS PLAN**

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The Directors are empowered to operate the HALO Technologies Holdings Limited Incentive Performance Rights Plan (the **Plan**) on the following terms and in accordance with the ASX Listing Rules (where applicable).

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**1. DEFINITIONS AND INTERPRETATION**

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**1.1 Definitions**

In this Plan:

**Acceptance Form** means the Acceptance Form by which an Eligible Participant or Nominee (as applicable) accepts an Offer for Shares, in substantially the same form as set out in **Schedule 2** or as otherwise approved by the Company from time to time.

**ASIC** means the Australian Securities and Investments Commission.

**Associated Body Corporate** means a subsidiary (as defined in section 46 of the Corporations Act) of the Company.

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange which it administers, as the context requires.

**ASX Listing Rules** means the official Listing Rules of the ASX as they apply to the Company from time to time.

**Blackout Period** means a period when the Participant is prohibited from trading in the Company's securities under the Company's written policies.

**Board** means the board of Directors of the Company or committee appointed by the Board for the purposes of the Plan.

**Business Day** means a day on which banks are open for general banking business in New South Wales, excluding Saturdays, Sundays and public holidays in New South Wales.

**Cash payment** means, except as otherwise provided for in an Offer, the cash amount equal to the market value of a single Share as at the date the Performance Right is exercised, by the Board (acting reasonably) in accordance with the terms of any applicable Offer.

**Change of Control** means:

- (a) a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Company's issued Shares;
- (b) a court approves, under Section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme

for the reconstruction of the Company or its amalgamation with any other company or companies; or

- (c) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

**Class Order** means ASIC Class Order 14/1000 as amended or replaced.

**Closing Date** means the date on which an Offer is stated to close.

**Company** means HALO Technologies Holdings Limited ACN 645 531 219 of Level 4 / 10 Barrack Street, Sydney, NSW 2000.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means any person occupying the position of a director of any Group Company (including an alternate director or managing director appointed in accordance with the relevant constitution).

**Eligible Participant means:**

- (a) a Director (whether executive or non-executive) of any Group Company;
- (b) a full or part time employee of any Group Company;
- (c) a casual employee or contractor of a Group Company to the extent permitted by the Class Order;
- (d) a consultant to the Company (not being a professional adviser to the Company) who serves an executive function within the Company; or
- (e) a prospective participant, being a person to whom the Offer is made but who can only accept the Offer if an arrangement has been entered into that will result in the person becoming an Eligible Participant under Rules (a) or (b) above,

who is declared by the Board to be eligible to receive grants of Performance Rights under the Plan.

**Exercise Price** means in respect of a Performance Right the exercise price determined by the Board and included in the Offer giving rise to that Performance Right, as amended pursuant to the terms of this Plan.

**Expiry Date** means, in respect of a Performance Right, the date on which the Performance Right lapses (if it has not already otherwise lapsed in accordance with the Plan), as set out in an Offer, which must be a date no more than seven years after the date of grant.

**Fair Market Value** means as of any date, the value of a Performance Right or a Share, as determined by the Board in good faith on such basis as it deems appropriate and applied consistently with respect to all Performance Rights or Shares.

**Grant Date** means, in relation to a Performance Right, the date on which the Performance Right is granted.

**Group** means the Company and each other Group Company.

**Group Company** means the Company or any Subsidiary or Related Body Corporate.

**Holding Lock** has the meaning given to that term in the ASX Listing Rules.

**Marketable Parcel** has the meaning given to that term in the ASX Listing Rules.

**Nominee** means a nominee of an Eligible Participant that is one of the following:

- (a) an immediate family member of the Eligible Participant or (subject to Board approval) a trustee of a superannuation fund whose beneficiaries are limited to the Eligible Participant and/or the Eligible Participant's immediate family members;
- (b) a company whose members comprise no persons other than the Eligible Participant or immediate family members of the participant; or
- (c) a corporate trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*) where the Eligible Participant is a director of the trustee.

**Offer** means an offer made to an Eligible Participant to be granted one or more Performance Rights under the Plan as set out in an Offer Document.

**Offer Document** means an offer document in substantially the same form as set out in **Schedule 1** to the Rules or such other form as approved by the Board from time to time consistent with the Corporations Act and the Class Order.

**Participant** means an Eligible Participant to whom Performance Rights have been granted under the Plan, or if Rule 4.4 applies, a Nominee of the Eligible Participant to whom Performance Rights have been granted under the Plan.

**Performance Right** means (at the Board's discretion) an entitlement to exercise a right to acquire a Share or a Cash Payment, subject to satisfaction of any Vesting Conditions, and the corresponding obligation of the Company provide the Share or the Cash Payment (at the Board's discretion), in the manner set out in this Plan and any Offer.

**Plan** means the plan as set out in this document, subject to any amendments or additions made under Rule 13.

**Redundancy** means termination of the employment, office or engagement of a Relevant Person due to economic, technological, structural or other organisational change where:

- (a) no Group Company requires the duties and responsibilities carried out by the Relevant Person to be carried out by anyone; or
- (b) no Group Company requires the position held by the Relevant Person to be held by anyone.

**Related Body Corporate** has the meaning ascribed to it in the Corporations Act.

**Relevant Interest** has the meaning given in the Corporations Act.

**Relevant Person** means:

- (a) in respect of an Eligible Participant, that person; and
- (b) in respect of a Nominee of an Eligible Participant, that Eligible Participant.

**Restriction Period** means the period during which a Share issued on the exercise of a Performance Right cannot be transferred or otherwise dealt with in accordance with Rule 9.

**Restricted Shares** means Shares issued on the exercise of a Performance Right granted under the Plan that the Board has determined are subject to a Restriction Period.

**Retirement** means where a Relevant Person intends to permanently cease all Services to a Group Company in circumstances where the Relevant Person provides, in good faith, a written statutory declaration to the Board to that effect.

**Rules** mean the rules of the Plan as set out in this document.

**Services** means services rendered to the Company by a Participant either personally or via a Nominee.

**Severe Financial Hardship** means the Relevant Person is unable to provide themselves, their family or other dependents with basic necessities such as food, accommodation and clothing, including as a result of family tragedy, financial misfortune, serious illness, impacts of natural disaster and other serious or difficult circumstances.

**Share** means an ordinary fully paid share in the capital of the Company.

**Shareholder** means a holder of Shares.

**Special Circumstances** means:

- (a) a Relevant Person ceasing to be an Eligible Participant due to:
- (i) death or Total or Permanent Disability of a Relevant Person; or
  - (ii) Retirement or Redundancy of a Relevant Person;
- (b) any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the relevant Participant which circumstances has resulted in or will result in the termination of a Relevant Person's employment or engagement.

**Takeover Bid** means a takeover bid (as defined in the Corporations Act) to acquire Shares.

**Tax Act** means the *Income Tax Assessment Act 1997* (Cth).

**Total and Permanent Disability** means that the Relevant Person has, in the opinion of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Relevant Person unlikely ever to engage in any occupation with the Company or its Related Bodies Corporate for which he or she is reasonably qualified by education, training or experience.

**Vesting Condition** means, in respect of a Performance Right, any condition set out in an Offer that must be satisfied (unless waived in accordance with this Plan) before that Performance Right can be exercised or any other restriction on exercise of that Performance Rights specified in the Offer or in this Plan.

**Voting Power** has the meaning given to that term in Section 9 of the Corporations Act.

## 1.2 Interpretation

In this Plan unless the context otherwise requires:

- (a) headings are for convenience only and do not affect the interpretation of this Plan;
- (b) any reference in the Plan to any enactment of the ASX Listing Rules includes a reference to that enactment or those ASX Listing Rules as from time to time amended, consolidated, re-enacted or replaced;
- (c) the singular includes the plural and vice versa;
- (d) any words denoting one gender include the other gender;
- (e) where any word or phrase is given a definite meaning in this Plan, any part of speech or other grammatical form of that word or phrase has a corresponding meaning;
- (f) a reference to:
  - (i) a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate;
  - (ii) a document includes all amendments or supplements to that document;
  - (iii) a Rule is a reference to a Rule of this Plan;
  - (iv) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, Rule of common law or equity and is a reference to that law as amended, consolidated or replaced;
  - (v) an agreement other than this Plan includes an undertaking, or legally enforceable arrangement or understanding, whether or not in writing; and
  - (vi) a monetary amount is in Australian dollars; and
- (g) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day.
- (h) The obligations and liabilities imposed and the rights and benefits conferred on persons under this Plan will be binding upon and endure in favour of the respective persons and each of their respective successors in title, legal personal representatives and permitted assigns.

## 2. PURPOSE

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The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants;

- (b) link the reward of Eligible Participants to performance and the creation of Shareholder value;
- (c) align the interests of Eligible Participants more closely with the interests of Shareholders by providing an opportunity for Eligible Participants to receive Shares or be paid a Cash Payment;
- (d) provide Eligible Participants with the opportunity to share in any future growth in the value of the Company; and
- (e) provide greater incentive for Eligible Participants to focus on the Company's longer term goals.

### **3. COMMENCEMENT AND TERM**

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- (a) This Plan will commence on the date determined by resolution of the Board and will continue until terminated by the Board.
- (b) The Board may terminate the Plan at any time by resolution. Termination shall not affect the rights or obligations of a Participant or the Company which have arisen under the Plan before the date of termination and the provisions of the Plan relating to a Participant's Performance Rights shall survive termination of the Plan until fully satisfied and discharged.

### **4. OFFER OF PERFORMANCE RIGHTS**

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#### **4.1 Making of Offers**

- (a) The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an Offer) to apply for Performance Rights, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines (**Offer**).
- (b) In exercising its discretion to make an Offer, the Board may have regard to the following (without limitation):
  - (i) the Eligible Participant's length of service with the Group;
  - (ii) the contribution made by the Eligible Participant to the Group;
  - (iii) the potential contribution of the Eligible Participant to the Group; or
  - (iv) any other matter the Board considers relevant.
- (c) For the avoidance of doubt, nothing in this document obliges the Company at any time to make an Offer, or further Offer, to any Eligible Participant.
- (d) In the event of conflict or inconsistency between the terms set out in the Plan and the additional terms and conditions in the Offer to any Eligible Participant, the terms in this Plan will prevail.

#### **4.2 Offer Document**



An Offer must be made using an Offer Document.

#### 4.3 **Personal Offer**

Subject to Rule 4.4, an Offer is personal and is not assignable.

#### 4.4 **Nominee**

- (a) Upon receipt of an Offer, an Eligible Participant may, by notice in writing to the Board, nominate a Nominee in whose favour the Eligible Participant wishes to renounce the Offer.
- (b) The Board may, in its discretion, resolve not to allow a renunciation of an Offer in favour of a Nominee without giving any reason for that decision.

#### 4.5 **Minimum Contents of Offer Document**

An Offer Document will advise the Eligible Participant of the following minimum information regarding the Performance Rights offered:

- (a) the maximum number of Performance Rights for which the Eligible Participant may apply, or the formula for determining the number of Performance Rights that may be applied for;
- (b) the maximum number of Shares (if any) that the Participant is entitled to be issued on the exercise of each Performance Right or the formula for determining the maximum number of Shares;
- (c) the Cash Payment (if any) that the Participant may be entitled to on the exercise of each Performance Right or the formula for determining the Cash Payment;
- (d) any applicable Vesting Conditions;
- (e) any Restriction. Board has resolved to apply to Shares issued on exercise of the Performance Rights;
- (f) when Performance Rights will expire (**Expiry Date**);
- (g) the date by which an Offer must be accepted (**Closing Date**); and
- (h) any other information required by law or the ASX Listing Rules or considered by the Board to be relevant to the Performance Rights or the Shares to be issued on the exercise of the Performance Rights.

#### 4.6 **Number of Performance Rights**

- (a) Subject to Rule 4.10, the number of Performance Rights to be offered to an Eligible Participant from time to time will be determined by the Board in its discretion and in accordance with applicable law and the ASX Listing Rules.
- (b) Subject to the terms of the Plan, each Performance Right is a right:
  - (i) to be issued with or transferred a single option to acquire a Share, free of encumbrances; or
  - (ii) to be paid a Cash Payment,

as elected by the board in its absolute discretion.

#### 4.7 **No Consideration**

Performance Rights granted under the Plan will be issued for nil cash consideration. However, you are required to pay the Exercise Price at the time you exercise the Performance Right.

#### 4.8 **Vesting Conditions**

A Performance Right may be made subject to a Vesting Condition(s) as determined by the Board in its discretion and as specified in the Offer for the Performance Rights. However, any Vesting Condition(s) determined by the Board cannot override Rule 8.7(a).

#### 4.9 **Share Restriction Period**

A Share issued under this Plan may be subject to a Restriction Period as determined by the Board in accordance with Rule 9 of this Plan.

#### 4.10 **Quotation of Performance Rights**

Performance Rights will not be quoted on the ASX except to the extent provided for by this plan or unless the Offer provides otherwise.

#### 4.11 **Limits on Offers**

The Company must have reasonable grounds to believe, when making an Offer, that the number of Shares to be received on exercise of Performance Rights offered under an Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.

### 5. **ACCEPTANCE OF OFFER**

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#### 5.1 **Acceptance of Offer**

An Eligible Participant (or Nominee) may accept an Offer in whole or in part, by signing and returning an Acceptance Form to the Company no later than the Closing Date.

#### 5.2 **Board's right to reject**

- (a) The Board may accept or reject any Acceptance Form in its absolute discretion.
- (b) Before accepting or rejecting the Acceptance Form, the Board may require the Eligible Participant to provide any information that the Board requests concerning the person's entitlement to lodge an Acceptance Form under this Plan.
- (c) The Board must promptly notify an Eligible Participant if an Acceptance Form has been rejected, in whole or in part.

#### 5.3 **Participant Agrees to be Bound**

- (a) An Eligible Participant, by submitting an Acceptance Form, agrees to be bound by the terms and conditions of the Offer and the Acceptance Form, the Plan and the Constitution of the Company, as amended from time to time.
- (b) If the Board resolves to allow a renunciation of an Offer in favour of a Nominee, the Eligible Participant will procure that the permitted Nominee accepts the Offer made to that Eligible Participant and that both the Eligible Participant and the Nominee agree to be bound by the terms and conditions of the Offer and the Acceptance Form, the Plan and the Constitution of the Company, as amended from time to time.

#### 5.4 Lapse of Offer

To the extent an Offer is not accepted in accordance with Rule 5.1, the Offer will lapse on the day following the Closing Date, unless the Board determines otherwise.

### 6. GRANT OF PERFORMANCE RIGHTS

---

#### 6.1 Grant of Performance Rights

- (a) Once the Board has received and accepted a duly signed and completed Acceptance Form for Performance Rights, the Company must, provided the Eligible Participant to whom the Offer was made remains an Eligible Participant, promptly grant Performance Rights to the applicant, upon the terms set out in the Offer, the Acceptance Form and the Plan and upon such additional terms and conditions as the Board determines.
- (b) The Company will, within a reasonable period after the Grant Date of the Performance Rights, issue the applicant with a certificate evidencing the grant of the Performance Rights.

#### 6.2 Approvals

The Company's obligation to issue Performance Rights is conditional on:

- (a) the grant of the Performance Rights complying with all applicable legislation and the ASX Listing Rules.

#### 6.3 Restrictions on Transfers, dealings and Hedgings

- (a) Subject to the ASX Listing Rules, a Performance Right granted under the Plan is only transferable, assignable or able to be otherwise disposed or encumbered:
- (i) in Special Circumstances with the consent of the Board (which may be withheld in its absolute discretion); or
  - (ii) by force of law upon death, to the Participant's legal personal representative or upon bankruptcy, to the participant's trustee in bankruptcy.
- (b) A Participant must not enter into any arrangement for the purpose of hedging, or otherwise affecting their economic exposure to, their Performance Rights.
- (c) Where the Participant purports to transfer, assign, mortgage, charge or otherwise dispose or encumber a Performance Right, other than in accordance with Rule

6.3(a), or hedge a Performance Right contrary to Rule 6.3(b), the Performance Right immediately lapses.

## **7. VESTING AND EXERCISE OF PERFORMANCE RIGHTS**

---

### **7.1 Vesting Conditions**

- (a) Subject to Rules 7.2 and 7.3, a Performance Right granted under the Plan will not vest or be exercisable unless the Vesting Conditions (if any) attaching to that Performance Right been satisfied and the Board has notified the Participant of that fact.
- (b) The Board must notify a Participant in writing within 10 Business Days of becoming aware that any Vesting Condition attaching to a Performance Right has been satisfied.

### **7.2 Vesting Condition Exceptions**

Notwithstanding Rule 7.1 and subject to Rule 8.7(a), the Board may in its absolute discretion, by written notice to a Participant, resolve to waive any of the Vesting Conditions applying to Performance Rights due to:

- (a) Special Circumstances arising in relation to a Relevant Person in respect of those Performance Rights;
- (b) a Change of Control occurring; or
- (c) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company,

in which case Rule 7.3 applies.

### **7.3 Exercise on Vesting**

Subject to Rule 8.7(a), a Participant (or their personal legal representative where applicable) may subject to the terms of any Offer, exercise any vested Performance Right at any time after the Board notifies that the Performance Right has vested and before it lapses, by providing the Company with:

- (a) the certificate for the Performance Rights or, if the certificate for the Performance Rights has been lost, mutilated or destroyed, a declaration to that effect, accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company as a consequence of it relying on the declaration at the certificate has been lost, mutilated or destroyed; and
- (b) a notice in the form of Schedule 3 addressed to the Company and signed by the Participant stating that the Participant exercises the Performance Rights and specifying the number of Performance Rights which are exercised.
- (c) a cash amount equal to the Fair Market Value of the Share on the day the Performance Rights were granted.

### **7.4 One or Several Parcels**

Performance Rights may be exercised in one or more parcels of any size, provided that the number of Shares issued upon the exercise of the number of Performance Rights in any parcel, is not less than a Marketable Parcel.

## **8. ISSUE OF SHARES**

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### **8.1 Cash Payment or Shares**

Subject to the Corporations act, the ASX Listing Rules, this Plan and the terms of any Offer, within 10 Business Days of receipt of a valid notice of exercise for Performance Rights, the Board must, in its absolute discretion, either:

- (a) pay the Participant or his personal representatives (as the case may be) a Cash Payment for each Performance Right exercised; or
- (b) issue or transfer one (1) Share, free of encumbrances, to the Participant or his personal representative (as the case may be) for each Performance Right exercised, and dispatch a share certificate or enter the shares in the Participant's uncertificated holding, as the case may be, upon the terms set out in the Offer, the Acceptance Form and the Plan and upon such additional terms and conditions as the Board determines.

### **8.2 Blackout Period, Takeover Restrictions and Insider Trading**

If the issue of Shares on exercise of a Performance Right would otherwise fall within the Blackout Period, or breach the insider trading or takeover provisions of the Corporations Act, the Company may delay the issue of the shares until 10 Business Days following the expiration, as applicable, of the Blackout Period or the day on which the insider trading or takeover provisions no longer prevent the issue of the Shares.

### **8.3 Withholding**

If a Participant is liable for tax, duties or other amounts on the vesting or exercise of their Performance Rights and the Company is liable to make a payment to the appropriate authorities on account of that Liability, unless the Participant and the Company agree otherwise, the Company must either deduct from the Cash Payment due or issue and sell such number of Shares which would otherwise be issued and allocated to the Participant so that the net proceeds of sale equal the payment the Company is required to pay to the appropriate authorities.

### **8.4 Rights attaching to Shares**

A Participant will, from and including the issue date of Shares under this Plan, be the legal owner of the Shares so issued and will be entitled to all dividends and to exercise all voting rights attaching to the Shares.

### **8.5 Share Ranking**

Shares issued under the Plan will rank equally in all respects with the Shares of the same class for the time being on issue except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue.

### **8.6 Quotation on ASX**

- (a) if Shares of the same class as those issued under the Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those shares to be quoted on ASX within the later of 10 Business days after:
  - (i) the date the Shares are issued; and
  - (ii) the date any Restriction Period that applies to the Shares, ends.
- (b) The Company will not apply for quotation of any Performance Rights on the ASX.

## 8.7 Sale of Shares

- (a) Unless the holder of a Performance Right disposes of a Performance Right or a Plan Share under an arrangement which meets the requirement in section 83A-130 of the Tax Act, a legal or beneficial interest in a Performance Right or a Plan Share may not be disposed of until the earlier of:
  - (i) 3 years after the issue of the Performance Right or such earlier time as the Commissioner of Taxation allows in accordance with section 83A-45(5) of the Tax Act; and
  - (ii) Where the Eligible Participant becomes a Leaver (as defined in Rule 17).
- (b) Subject to Rules 8.7(a), 8.7(d) and 9 (Restriction on dealing in Shares), and the Company's constitution, there will be no transfer restrictions on Shares issued under the Plan unless the sale, transfer or disposal by the Participant of the Shares issued to them on exercise of the Performance Rights (or any interest in them) would require the preparation of a disclosure document (as that term is defined in the Corporations Act).
- (c) If a disclosure document is required, the Participant agrees to enter into such arrangements with the Company as the Board considers appropriate to prevent the sale, transfer or disposal of the relevant Shares in a manner that would require a disclosure document to be prepared.
- (d) The Company will issue, where required to enable shares issued on exercise of Performance Rights to be freely tradable on the ASX (subject to any Restriction Period) a cleansing statement under Section 708A(5) of the Corporations Act at the time Shares are issued. Where cleansing statement is required, but cannot be issued, the Company will lodge a prospectus in relation to the Shares with ASIC which complies with the requirements of the Corporations Act and allows the Shares to be freely tradable on the ASX (subject to any Restriction Period).
- (e) A Participant must not sell, transfer or dispose of any Shares issued to them on exercise of the Performance Rights (or any interest in them) in contravention of the Corporations Act, including insider trading and on-sale provisions.

## 9. RESTRICTION ON DEALING IN SHARES

### 9.1 Restriction Period

- (a) Subject to Rule 9.4, the Board may, in its discretion, determine at any time up until the exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Performance Rights

(**Restricted Shares**), up to a maximum of seven (7) years from the Grant Date of the Performance Rights (**Restriction Period**).

## 9.2 **Waiver of restriction Period**

Subject to Rule 9.4, the Board may in its sole discretion, having regard to the circumstances at the time, waive a Restriction Period determined pursuant to rule 9.1.

## 9.3 **No disposal of Restricted Shares**

A participant must not dispose of or otherwise deal with any Shares issued to them under the Plan while they are Restricted Shares.

## 9.4 **ASX Imposed Escrow**

The Company must impose a Restriction Period Shares to the extent necessary to comply with any escrow restrictions imposed by the ASX Listing Rules.

## 9.5 **Enforcement of Restriction Period**

- (a) The company may implement any procedure it considers appropriate to restrict a Participant from dealing with any Shares for as long as those Shares are subject to a Restriction Period.
- (b) The Participant agrees to:
  - (i) execute an ASX restriction agreement in relation to the Shares reflecting any Restriction Period applying to the Restricted Shares under the Plan;
  - (ii) the Company lodging the share certificates for Shares (where issuer sponsored) with a bank or recognise trustee to hold until the expiry of any Restriction Period applying to the Shares or until the Shares are otherwise released from restrictions (at which time the Company shall arrange for the share certificates to be provided to the Participant); and
  - (iii) the application of a Holding Lock over Shares until any Restriction Period applying to the Shares under the Plan has expired (at which time the Company shall arrange for the Holding Lock to be removed).

## 9.6 **Lapse of Restriction Period**

When a Share ceases to be a Restricted Share, all restrictions on disposing of or otherwise dealing or purporting to deal with that Share provided in or under these Rules will cease.

# 10. **LAPSE OF PERFORMANCE RIGHTS**

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## 10.1 **Lapsing of Performance Right**

A Performance Rights will lapse upon the earlier to occur of:

- (a) an unauthorised dealing in, or hedging of, the Performance Right occurring, as governed by Rule 6.3(c);
- (b) a Vesting Condition in relation to the Performance Right is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its

absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition under Rule 7.2 (Vesting Condition Exceptions) or Rule 1.1(a)(ii) applies;

- (c) in respect of unvested Performance rights only, a Relevant Person ceases to be an Eligible Participant, unless the Board:
  - (i) exercises its discretion to vest the Performance Right Rule 7.2; or
  - (ii) in its absolute discretion, resolves to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
- (d) in respect of vested Performance Rights only, a Relevant Person ceases to be an Eligible Participant and the Performance Right granted in respect of that Relevant Person is not exercised within one (1) month (or such later date as the Board determines) of the date the Relevant Person ceases to be an Eligible Participant;
- (e) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant under Rule 10.2 (Fraud and Related Matters); or
- (f) the Company undergoes a Change in Control or a winding up resolution or order is made, and the Board does not exercise its discretion to vest the Performance Right in accordance with Rule 7.29.2 (Vesting Condition Exceptions); and
- (g) the Expiry Date of the Performance Right.

## 10.2 Fraud and Related Matters

Notwithstanding any other provision of this Plan, where a Relevant Person:

- (a) in the opinion of the Board, acts fraudulently or dishonestly, is grossly negligent, demonstrates serious and wilful misconduct, or causes a material adverse effect on the reputation of the Company;
- (b) has his or her employment or office terminated due to serious or wilful misconduct or otherwise for cause without notice;
- (c) becomes ineligible to hold his or her office due to Part 2D.6 of the Corporations Act; or
- (d) deals with or disposes of Performance Rights or Restricted Shares contrary to the provisions of this Plan or any applicable Offer,

the Board may, by written notice to the Participant, deem any unvested, or vested but unexercised, Performance Rights of the Participant to have lapsed or acquire the Participant to pay back any Cash Payment paid to the Participant, which is deemed to be a debt due and payable by the Participant on demand or acquire the Participant to do all such things necessary to cancel any Shares issued on exercise of the Participant's Performance Rights.

## 11. EXCHANGE DUE TO CHANGE OF CONTROL

If a company (**Acquiring Company**) obtains control of the Company as a result of a Change of Control and both the Company and the Acquiring Company agree, a Participant may in respect of any vested Performance Rights that are exercised, be provided with shares of the



Acquiring Company or its parent in lieu of Shares, on substantially the same terms and subject to substantially the same conditions as the Shares, but with appropriate adjustments to the number and kind of shares subject to the Performance Rights.

## **12. PARTICIPATION RIGHTS AND REORGANISATIONS**

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### **12.1 Participation Rights**

- (a) There are no participating rights to entitlements inherent in the Performance Rights and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right.
- (b) A Performance Right does not confer the right to change in the number of underlying Shares over which the Performance Right can be exercised.
- (c) A Participant who is not a Shareholder, is not entitled to:
  - (i) notice of, or to vote or attend at, a meeting of the Shareholders of the Company; or
  - (ii) receive any dividends declared by the Company,unless and until any Performance Right is exercised and the Participant hold shares that provide the right to notice in dividends.

### **12.2 Adjustments for Reorganisation**

If at any time the capital of the Company is reorganised (including consolidation, subdivision, reduction or return), the terms of the Performance Rights will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

### **12.3 Notice of adjustments**

Whenever the number of Shares to be issued on the exercise of a Performance Right is adjusted pursuant to these Rules, the Company will give notice of the adjustment to the Participant in ASX together with calculations on which the adjustment is based.

### **12.4 Cumulative adjustments**

Effect will be given to Rule 12.3 in such manner that the effect of the successive applications of them is cumulative, the intention being that the adjustments they progressively effect, will reflect previous adjustments.

## **13. OVERRIDING RESTRICTIONS ON ISSUE**

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Notwithstanding the Rules or the terms of any Performance Right, no Performance Right may be offered, granted or exercised and no Share may be issued under the Plan if to do so:

- (a) would contravene the Corporations Act, the ASX Listing Rules or any other applicable law; or

- (b) would contravene the local laws or customs of an Eligible Participant's country of residence or in the opinion of the Board would require actions to comply with those local laws or customs which are impractical.

## **14. AMENDMENTS**

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### **14.1 Power to amend Plan**

Subject to Rule 14.2, the Corporations Act and the ASX Listing Rules:

- (a) the Board may, at any time, by resolution amend or add to all or any of the provisions of the Plan, an Offer or the terms or conditions of any Performance Rights granted under the Plan; and
- (b) any amendment may be given such retrospective effect as is specified in the written instrument or resolution by which the amendment is made.

### **14.2 Adjustment to Performance Right Terms**

No adjustment or variation of the terms of a Performance Right will be made without the consent of the Participant who holds the relevant Performance Right if such adjustment or variation would have a materially prejudicial effect upon the Participant (in respect of his or her outstanding Performance Rights), other than an adjustment or variation introduced primarily:

- (a) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legislation governing or regulating the maintenance or operation of the Plan or like plans;
- (b) to correct any manifest error or mistake;
- (c) to enable a member of the Group to comply with the Corporations Act, the ASX Listing Rules, applicable foreign law, or a requirement, policy or practice of the ASIC or other foreign or Australian regulatory body; or
- (d) to take into consideration possible adverse taxation implications in respect of the Plan, including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation.

### **14.3 Notice of amendment**

As soon as reasonably practicable after making any amendment under Rule 14, the Board will give notice in writing of that amendment to any Participant affected by the amendment.

## **15. TRUST**

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- (a) The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Performance Rights, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust.
- (b) The trustee will hold the Shares as trustee for and on behalf of a Participant is beneficial owner upon the terms of the trust.

- (c) The Board may at any time amend all or any of the provisions of this Plan to effect the establishment of a trust and the appointment of a trustee as detailed in this Rule.

## **16. MISCELLANEOUS**

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### **16.1 Rights and obligations of Participant**

- (a) The rights and obligations of an Eligible Participant under the terms of their office, employment or contract with a Group Company are not affected by their participating in the Plan. This Plan will not form part of, and are not incorporated into, any contract of any Eligible Participant (whether or not they are an employee of a Group Company).
- (b) No Participant will have any rights to compensation or damages in consequence of:
- (i) the termination, for any reason, of the office, employment or other contract with a Group Company of the Participant (or, where the Participant is a Nominee of the Eligible Participant, that Eligible Participant) where those rights arise, or may arise, as a result of the Participant ceasing to have rights under the Plan as a result of such termination; or
  - (ii) the lapsing of Performance Rights in accordance with this Plan.
- (c) Nothing in this Plan, participation in the Plan or the terms of any Performance Right:
- (i) affects the rights of any Group Company to terminate the employment, engagement or office of an Eligible Participant or a Participant (as the case may be);
  - (ii) affects the rights and obligations of any Eligible Participant or Participant under the terms of their employment, engagement or office with any Group Company;
  - (iii) confers any legal or equitable right on an Eligible Participant or a Participant whatsoever to take action against any Group Company in respect of their employment, engagement or office;
  - (iv) confers on an Eligible Participant or a Participant any rights to compensation or damages in consequence of the termination of their employment, engagement or office by any Group Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination; or
  - (v) confers any responsibility or liability on any Group Company or its directors, officers, employees, representatives or agents in respect of any taxation liabilities of the Eligible Participant or Participant.
- (d) If a Vesting Condition attached to a Performance Right requires a Participant to remain an employee of a Group Company, then the Participant will be treated as having ceased to be an employee of a Group Company at such time the Participant's employer ceases to be a Group Company.

- (e) A Participant who is granted an approved leave of absence and who exercises their right to return to work under any applicable award, enterprise agreement, other agreement, statute or regulation will be treated for those purposes as not having ceased to be such an employee.

## 16.2 Power of the Board

- (a) The Plan is administered by the Board which has power to:
- (i) determine appropriate procedures for administration of the Plan consistent with this Plan; and
  - (ii) delegate to any one or more persons, for such period and on such conditions as it may determine, the exercise of any of its powers or discretions arising under the Plan.
- (b) Except as otherwise expressly provided in this Plan, the Board has absolute and unfettered discretion to act, or refrain from acting, under or in connection with the Plan or any Performance Rights under the Plan and in the exercise of any power or discretion under the Plan.

## 16.3 Dispute or disagreement

In the event of any dispute or disagreement as to the interpretation of the Plan, or as to any question or right arising from or related to the Plan or to any Performance Rights issued under it, the decision of the Board is final and binding.

## 16.4 ASIC relief

- (a) Notwithstanding any other provisions of the Plan, every covenant or other provision set out in an exemption or modification granted from time to time by ASIC in respect of the Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan.
- (b) To the extent that any covenant or other provision deemed by this Rule to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision shall prevail.

## 16.5 Non-residents of Australia

- (a) The Board may adopt additional rules of the Plan applicable in any jurisdiction outside Australia under which rights offered under the Plan may be subject to additional or modified terms, having regard to any securities, exchange control or taxation laws or regulations or similar factors which may apply to the Participant or to any Group Company in relation to the rights. Any additional rule must conform to the basic principles of the Plan.
- (b) When a Performance Right is granted under the Plan to a person who is not a resident of Australia, the provisions of the Plan apply subject to such alterations or additions as the Board determines having regard to any securities, exchange control or taxation laws or regulation or similar factors which may apply to the Participant or to any Group Company in relation to the Plan Share.

## 16.6 Communication

- (a) Any notice or other communication under or in connection with the Plan may be given by personal delivery or by sending the same by post or email:
- (i) in the case of a company, to its registered office;
  - (ii) in the case of an individual, to the individual's last notified address; or
  - (iii) where a Participant is a Director or employee of a Group Company, either to the Participant's last known address or to the address of the place of business at which the Participant performs the whole or substantially the whole of the duties of the Participant's office of employment.
- (b) Where a notice or other communication is given by post, it is deemed to have been received 48 hours after posting. Where a notice or other communication is given by email or other electronic transmission, the notice is taken to have been received at the time the electronic transmission is sent.

#### 16.7 **Attorney**

Each Participant:

- (a) irrevocably appoints the Company and any person nominated from time to time by the Company (each an attorney), severally, as the Participant's attorney to complete and execute any documents, including applications for Shares and Share transfers, and to do all acts or things on behalf of and in the name of the Participant which may be convenient or necessary for the purpose of giving effect to the provisions of this Plan;
- (b) covenants that the Participant will ratify and confirm any act or thing done pursuant to this power;
- (c) releases each Group Company and the attorney from any liability whatsoever arising from the exercise of the powers conferred by this Rule; and
- (d) indemnifies and holds harmless each Group Company and the attorney in respect thereof.

#### 16.8 **Costs and Expenses**

The Company will pay all expenses, costs and charges in relation to the establishment, implementation and administration of the Plan, including all costs incurred in or associated with the issue or purchase of Shares for the purposes of the Plan.

#### 16.9 **Adverse Tax**

Where a Participant may suffer an adverse taxation consequence as a direct result of participating in the Plan that was not apparent to the Participant or the Company at the time the Participant was issued Performance Rights under the Plan, the Board may, in its absolute discretion, agree to compensate the Participant in whole or in part.

#### 16.10 **Data protection**

By lodging an Acceptance Form, each Participant consents to the holding and processing of personal data provided by the Participant to any Group Company for all purposes relating to the operation of the Plan. These include, but are not limited to:

- (a) administering and maintaining Participants' records;
- (b) providing information to trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan;
- (c) providing information to future purchasers of the Company or the business in which the Participant works; and
- (d) transferring information about the Participant to a country or territory outside Australia.

#### 16.11 **Error in Allocation**

If any Performance Rights are provided under this Plan in error or by mistake to a person (**Mistaken Recipient**) who is not the intended recipient, the Mistaken Recipient shall have no right or interest, and shall be taken never to have had any right or interest, in those Performance Rights and those Performance Rights will immediately lapse.

#### 16.12 **No fiduciary capacity**

The Board may exercise any power or discretion conferred on it by this Plan in the interest or for the benefit of the Company, and in so doing the Board is not required to act in the interests of another person or as requested by another person and will not be under any fiduciary obligation to another person.

#### 16.13 **ASX Listing Rules**

While the Company remains admitted to the ASX, the provisions of the ASX Listing Rules of the ASX will apply to the Plan, and to the extent that the Plan and the ASX Listing Rules are inconsistent, the provisions of the ASX Listing Rules will prevail.

#### 16.14 **Enforcement**

This Plan and any determination of the Board made pursuant to this Plan will be deemed to form a contract between the Company and the Participant.

#### 16.15 **Laws governing Plan**

- (a) This Plan, and any Performance Rights issued under it, are governed by the laws of New South Wales, Australia.
- (b) The Company and the Participants submit to the non-exclusive jurisdiction of the courts of New South Wales.

### 17. **MISCELLANEOUS**

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#### 17.1 **When a person becomes a Leaver and what the Board can do**

- (a) For the purposes of this rule 17, a is a "**Leaver**" if the holder of a Performance Right ceases to be employed or contracted by the Company. (If a holder is a trust company or nominee for the person who was first offered the Performance Right then this rule applies when that person ceases to be employed or contracted by the Company.)

- (b) When the holder becomes a Leaver (**Trigger Event**), the Board may, in its absolute discretion, exercise the rights below in relation to the holder's Performance Rights.
- (c) If a Trigger Event occurs in relation to a holder, the Board may in its absolute discretion:
- (i) serve a notice in writing on the Leaver (**Lapse Notice**), advising the Leaver that all or some of his or her unvested Performance Rights have lapsed on the date specified in the Lapse Notice;
  - (ii) serve a notice in writing on the Leaver (**Transfer Notice**), requiring the Leaver sell some or all of his or her vested Performance Rights (**Transfer Performance Rights**) to any person nominated by the Board; or
  - (iii) allow the Leaver to retain some or all of his or her Performance Rights.
- (d) The price for the Transfer Performance Rights pursuant to Rule 17.1(c)(ii) will be their Fair Market Value as at the date of the Trigger Event.
- (e) Completion of the sale of the Transfer Performance Rights must occur on the date determined by the Board in its absolute discretion and notified to the Leaver.

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## SCHEDULE 1 – PERFORMANCE RIGHTS PLAN – OFFER DOCUMENT

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[insert date]

[Name and address of eligible participant]

Dear [\*]

### HALO TECHNOLOGIES HOLDINGS LIMITED - PERFORMANCE RIGHTS PLAN

The board of directors of Halo Technologies Holdings Limited (ACN 645 531 219) (**Company**) is pleased to make an offer to you of Performance Rights under its Performance Rights Plan (**Plan**) on the terms of this offer letter (**Offer**). Terms used in this Offer have the same meaning as used in the Plan.

The Company is pleased to advise you of the following.

- (a) This Offer is subject to the terms and conditions of the Plan, a copy of which is attached to this Offer. In the event of a conflict between the Plan and this Offer, the Rules in the Plan will prevail.
- (b) The Company is willing to offer you the following Performance Rights under the Plan subject to the following Vesting Conditions:

[insert number of Shares or formula for calculating number of Shares eg 'that number of Shares determined by dividing \$[insert] by the issue price of the Shares.']

- (c) The grant of the Performance Rights is subject to the terms of the Plan, including the Company obtaining any necessary Shareholder approvals and you remaining an Eligible Participant at the time the Performance Rights are to be granted and (subject to a number of exceptions), exercised and either converted into Shares was satisfied by way of a Cash Payment.
- (d) The Performance Rights under the Plan will be granted to you for nil cash consideration. However, you are required to pay an Exercise Price specified in the Offer to exercise the Performance Rights.
- (e) The Expiry Date of each Performance Right will be seven years after the date of grant.
- (f) You are required to hold the Performance Rights or Plan Shares for at least 3 years prior to its disposal unless you become a Leaver at an earlier date.
- (g) Shares issued on exercise of the Performance Rights will be subject to the following Restriction Periods:
  - (i) [insert];
  - (ii) [insert];
- (h) This offer remains open for acceptance by you until 5 PM (AEST) on [insert date] (**Closing Date**) at which time the Offer will close and lapse.
- (i) You may apply for the Performance Rights by filling out the Acceptance Form below and returning it to the Company Secretary before the Closing Date.



- (j) You may apply for the Performance Rights to be registered in your name, or in a Nominee's name. Examples of acceptable nominees are set out in the Plan. Please discuss this with the Company Secretary if you have any queries.
- (k) Unless the Plan provides otherwise, Shares to which you are entitled on exercise of the Performance Rights will be issued to you as soon as practicable after the exercise date.
- (l) Performance Rights are only transferable in special circumstances as set out in the Plan.
- (m) If required, the Company will apply for the Shares to be quoted on the ASX in accordance with the ASX Listing Rules within 10 Business Days of the later of the date the Shares are issued and the date any Restriction Period that applies to the Shares ends. The Shares may be subject to restrictions on disposal in accordance with the Plan in which case the Company will impose a Holding Lock with the Company's share registry and the Shares will not be able to be traded until the Holding lock is lifted by the Company.
- (n) The Company will issue, where required to enable Shares issued on exercise of Performance rights to be freely tradable on the ASX (subject to any restriction Period), a cleansing statement under section 708A(5) of the Corporations Act at the time the shares are issued. Where a cleansing statement is required, but cannot be issued, the Company will have a prospectus available in relation to the Shares which complies with the requirements of the Corporations Act.
- (o) The Company undertakes that, during the period commencing on the date of this Offer and expiring on the Closing Date, it will, within a reasonable period of you so requesting, make available to you the current market price of the underlying Shares to which the Performance Rights relate.
- (p) The current market price of the underlying Shares which the Performance Rights relate can be found on the Company's ASX website at **[insert]**.

You should be aware that the business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company, including Shares offered under the Plan.

Any advice given by the Company in relation to the Performance Rights or underlying Shares offered under the Plan does not take into account your objectives, financial situation and needs (including financial or taxation issues).

This Offer and all other documents provided to you at the time of this Offer contain general advice only and you should consider obtaining your own financial product advice from an independent person who is licensed by the Australian Securities and Investments Commission to give such advice.

You are advised to seek independent professional advice regarding the Australian tax consequences of the issue of Shares and the disposing of any Shares that are issued under the Plan according to your own particular circumstances.

Please confirm your (or your Nominee's) acceptance of the Offer set out in this letter by completing the Acceptance Form below and returning it to the Company **by no later than [insert]**.

An Acceptance Form received after the Closing Date may be refused.

Yours faithfully

[Insert Director's Name]

For and on behalf of

**Halo Technologies Holdings Limited**

For personal use only

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## SCHEDULE 2 - HALO TECHNOLOGIES HOLDINGS LIMITED INCENTIVE SHARE PLAN - ACCEPTANCE FORM

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To: The Directors  
Halo Technologies Holdings Limited (ACN 645 531 219)  
(Company)

I/We \_\_\_\_\_ of  
being registered holder(s) of performance rights as set out on the certificate annexed to this notice, hereby  
exercise \_\_\_\_\_ of the above-mentioned performance rights.

I /We authorise and direct the Company to register me/us as the holders(s) of the Shares to be allotted to  
me/us and I/we agree to accept such Shares subject to the provisions of the Constitution of the Company

Dated \_\_\_\_\_

\_\_\_\_\_  
Signature of Holder(s)

**Note:**

1. *each holder must sign;*
2. *an application by a company must be executed in accordance with section 127 of the Corporations Act 2001 (Cth) and if signing for a company as a sole director/secretary – ensure “sole director/Sec” is written beside the signature.*